Daily Report

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FBIS-LAT-90-140 *20 July 1990*

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Cuba

Further on Developments at Embassies, Residences

5 Leave CSFR Residence

PA1907163890 Havana International Service in Spanish 1608 GMT 19 Jul 90

[Text] According to a last-minute report from the National Information Agency, the five antisocials who occupied the residence of the charge d'affaires of the Czechoslovak Republic on 12 July voluntarily and unconditionally left it this morning.

The decision to surrender to the authorities was adopted as a result of an effort carried out through the initiative of the Cuban Foreign Ministry with Czechoslovak Vice Foreign Minister Lubos Dobrosky, by virtue of which a Cuban official and a Czechoslovak official protected by the guards at the residence entered it and held a dialogue with the occupants.

During the course of this dialogue the occupants stated that they had been deceived by the Czechoslovak officials, who promised to make their departure from the country possible. This did not happen, and the officials tried to force them to surrender by starving them.

The Czechoslovak Embassy official claimed that the residence did not have diplomatic immunity. The Cuban official reiterated to the antisocials that the Cuban Government would not grant them authority to leave the country through actions of this kind and urged them to surrender unconditionally. They will be returned to their respective homes as soon as routine procedures are completed.

CSFR Embassy Occupation 'Planned'

LD2007083890 Bratislava Domestic Service in Slovak 0500 GMT 20 Jul 90

[Excerpts] "The development of events in Cuba remains at the center of the attention of world agencies." [passage omitted]

A special program on the provocation in the Czechoslovak Embassy, broadcast under the above title by Cuban television last night, hardly contributed to the solving or at least to a partial calming of the situation. Milan Pruznicky, Czechoslovak television correspondent, phoned from Havana with more detailed information about this program.

[Pruznicky] During the program, screened by Cuban television in the evening, one was unsure whether to laugh or weep. Two persons—a man and a woman, who are at the moment in custody for offenses against state security—spoke about events. They presented as evidence their own assumptions that the entire action in our embassy was planned long ago. Afterward, three of those who were the first to enter the territory of our representative body spoke, or rather testified. They were united in claiming that they fell into a trap set for them by the (?interest) section of the United States of America in Havana. They kept reiterating: We were manipulated, and so on, and so on. I chatted with one of these persons in the embassy. We met in the corridor, and he asked me to arrange for them to be given some food because they were hungry. However, yesterday on television he claimed that our embassy immediately granted them food, clothing, and other items. By doing this he, of course, tried to give the impression that all was, indeed, prearranged—probably according to a preset scenario. And lastly, all three of those who were in our embassy for almost nine days allegedly wore on television the clothes bought for them by our embassy—and not for Cuban pesos!

Not one Czechoslovak diplomat, whose views or findings could be confronted with the evidence of the so-called dissidents, was, for understandable reasons, invited by Cuban television. In a word, after the talks held in Cuba on Tuesday [17 July] by Mr. Vojtech Wagner, deputy minister of foreign affairs, the whole program seems to be a blow below the belt, and indeed one the Cubans could have refrained from broadcasting.

Italian Diplomat Comments

PA2007043990 Havana International Service in Spanish 0020 GMT 20 Jul 90

[Text] On Tuesday, 17 July, four Cuban citizens entered the residence of the Italian ambassador in Havana with the intention of obtaining an authorization to leave Cuba.

We called Italian Charge d'affaires Cesare Corti on the phone to obtain more details about this incident:

[Begin Corti recording] In my opinion, these Cubans chose the Italian residence because they heard reports aired by a radio station, which in the last few days has been saying that as EC president, Italy is making efforts in favor of those who had sought refuge at the various embassies in Havana. Thus, these Cuban citizens thought about Italy, the Italian Embassy, the Italian residence, and chose to enter the residence of the Italian ambassador who is currently on vacation.

The Cuban citizens requested protection and they were granted protection, because as you know embassy territory cannot be violated and the police cannot and will not enter the embassy grounds.

The asylum problem is something completely different, because asylum is granted for political reasons or if the person requesting it has some kind of political problem. These citizens do not have political problems. They are only youths. They told me I could release their names, because I had not released them until now. If you want their names I can give them to you now. [end recording]

The names of the Cuban citizens are: Ramon Gonzalez Garcia, Ramiro Alcalde Simon, Idalmis Guerra Esquivel, and Janet Gonzalez Garcia. They are between 20 and 24 years old.

Relations With Spain Deteriorating

PA1907225090 Paris AFP in Spanish 2048 GMT 19 Jul 90

[Text] Havana, 19 Jul (AFP)—After 1200 today no Cuban had entered any embassy in Havana. Diplomatic circles that are worried about the spread of a political asylum minicrisis, which has already been an instrument in deteriorating relations between Spain and Cuba, considered the absence of asylum seekers as good news.

On the other hand, five Cubans left the residence of Czechoslovak Charge d'Affaires Jan Demek. The five Cubans, one woman and four men, turned themselves in to the police without any conditions and left the residence which they had been occupying since 12 July.

Consequently, there are now eight Cubans under diplomatic protection, at least for the time being. There are four in the residence of Italian Ambassador to Cuba Carlos Civiletti who is on vacation in Rome. Three of the Cubans: Ramon Gonzalez, 23; Ramiro Alcalde, 19; and Miguel Aldana, 21, entered the residence on 17 July, and Antonio Pichardo, 41, entered the residence on 18 July.

The case of the four men who are staying at the Italian diplomatic residence continues to unfold almost secretly, up until now. Lacking political motivation, the four men's desire is to leave Cuba "to have a better life" in the United States "or in any West European country that may welcome them."

The Italian Foreign Ministry is apparently handling the case with discretion. The only problem in this case is the natural distrust of the four Cubans, which led them to reject the guarantees offered by Cuba that they will not be arrested if they leave their diplomatic refuge to start their routine emigration procedures.

The incidents that took place at the Spanish Embassy in Cuba, however, surprisingly gave way to a chain reaction that according to observers is moving toward the worst crisis in bilateral relations between Spain and Cuba in the last 30 years.

The incursion of Cuban Police members into the embassy's territory to arrest a man who had entered the diplomatic mission on 14 July provoked an oral protest from Spain, to which the Cuban Foreign Ministry responded in the usual diplomatic manner.

Interview With CSFR Embassy Refuge Seekers

FL2007050090 Havana Cuba Vision Network in Spanish 0100 GMT 20 Jul 90

["Special program" on interviews with individuals who sought refuge in the Czech and Slovak Federal Republic, CSFR, Embassy in Havana between 9 and 16 July, by Irma Caceres, Francisco Forteza, and Edgardo Salinas; place and date not given—recorded]

[Text] [Narrator] Esteemed television viewers: An abnormal situation was created between 9 and 16 July at the Czech and Slovak Federal Republic Embassy in our country. At different times during those days, a total of 14 Cuban citizens were received at or entered that embassy.

The first five turned out to be people with various criminal records and known participation in small counterrevolutionary groups which attempt to legitimate their actions in behalf of the alleged defense of human rights in Cuba. Another most recent modality is the pretense by elements, most of them without any attachment to any socially useful work, to appear abroad as if they were artists and intellectuals.

Once the presence of these individuals at the CSFR Embassy, and above all, the generous reception that country's officials gave them as refugees or persecuted people needing protection was made public, another two similar incidents took place. Two unemployed people entered the embassy and, immediately after, seven criminals with a long criminal record followed.

Closely related to the situation created in the embassy and resulting from the accommodating attitude of the CSFR diplomats, five other criminals were able to enter the residence of the charge d'affairs in charge of the diplomatic mission during the ambassador's absence. The outcome of these events is known: all the Cuban citizens involved in the events, totaling 19, left voluntarily and unconditionally.

From the first moment, the Cuban Government expressed its position indicating that not one of these citizens was an object of persecution or hostility. Thus, the claim that they needed protection was unfounded. For this same reason, they could not be called political refugees and it was completely (?impossible) to agree to any request under this pretext, in addition to the fact that there is no asylum agreement between Cuba and the CSFR.

Likewise, the Cuban Government said these events were part of a deliberate and planned provocation. Consequently, when the five counterrevolutionary elements who caused this entire situation by entering the Czechoslovak Embassy surrendered to the authorities, as reported officially, an investigation was initiated to clarify the circumstances under which this provocation was plotted and carried out.

The Cuban television news services have had access to the results of that investigation. A group of journalists has interviewed some of the main characters of these events. They are: Tania Diaz Castro and Pablo Roberto Pupo Sanchez, heads of one of the small counterrevolutionary groups given more publicity by the international

news agencies and by the U.S. propaganda organizations. The two of them are being subjected to a preliminary criminal process. Lazaro Angel Cabrera Puente, Jorge Luis Mari Becerra, and Carlos Eladio Novoa Ponce were also interviewed. These last three are part of the group of five counterrevolutionaries accepted at the Czechoslovak Embassy.

Without further introduction we offer you these interviews with the certainty that they confirm the truthfulness and the fairness of the position maintained by the Cuban Government toward this provocation. [caption shows criminal record of Pablo Roberto Pupo Sanchez]

[Reporter Irma Caceres] Pupo, what did you think at the time when you learned about the report published in the Cuban press of that group of people who had entered the Czechoslovak Embassy?

[Pupo] Actually, for me it was like a continuity of something that had been prepared, talked about, or planned before. Therefore, my first impression was that it was a logical continuation [of the plan] because I knew about it.

[Reporter Edgardo Salinas] How did you learn about this?

[Pupo] I learned about it in March. The meeting on human rights was still going on in Geneva—the 46th meeting. I learned about this through Lazaro Cabrera Puente. I know him. He told me at one time that the Americans had asked him to look for appropriate personnel with certain traits to carry out an action. He could not explain it to me in detail. I believe he perhaps was not aware of the scope of this plan. He told me there is the possibility that we can meet with people through the United States to enter an embassy and from there on, develop an entire plan. The goal was that if the consensus the United States was looking for or wanted was not reached at the 46th meeting, then this group of people would enter a diplomatic mission so the sessions would be extended in Geneva.

Lazaro was not able to find the appropriate people at the time that were useful. When he [words indistinct] the sessions had ended. This is why the idea existed initially, but apparently the idea changed later.

[Caceres] Pupo, when you talk about the Americans or about the United States, could you mention to whom these people answer, who are these people?

[Pupo] As far as I know—I do not have the exact information—but this originated with Mrs. Evans.

[Caceres] Who is Mrs. Evans?

[Pupo] Mrs. Evans is a SINA [Trade Union of the National Sugar Industry] official from the Interests Section.

[Caceres] From the Interests Section of the United States in Havana.

[Pupo] In Havana.

[Caceres] Of what is she in charge there?

[Pupo] I understand she is in charge of former political prisoners. She handles the former political prisoners' files. As far as I know, she was the one who told Lazaro about the initial stages of this plan.

[Salinas] You learned about it through Lazaro?

[Pupo] Through Lazaro.

[Caceres] Which other people do you know were discussed to participate, as you said, in that activity?

[Pupo] Well, the second person involved was Mrs. Tania Diaz Castro. Tania was present at the time he made the proposal, when he told me about this situation. He gave both of us this information about the initial stages of the plan. [screen shows criminal background of Tania Diaz Castro]

[Diaz] Then Pupo came to my home and talked to me about something but in a somewhat vague manner. He told me that (Chala), an official named (Chala) wanted to see me, that he wanted to talk to me. I do not remember well but it was around 1100 or 1200. I know that the sun was shining brightly. A German man came to the door and told us that only Lazaro and I could enter, that nobody else could enter. The Cuban at the post heard that the other person could not come in. I told Lazaro to go in and tell the official: If Pupo cannot enter I will not go in, because I am not going to leave Pupo out here waiting for me. It was senseless. I asked: Why can Pupo not be present? The official went in, came out again, and then the three of us were allowed to go in.

The idea was to talk with Lazaro and me alone. When we arrived at the office, he received us and offered us coffee. Lazaro continued talking about the plan. I started to insist and asked him: How does this matter? Will we not have problems? He said: No, I do not believe you will have problems; some cultural organizations are going to sponsor your tour through several countries. I asked: Why is this? He said: We want to protect you as intellectuals.

He asked how many of us there were. Lazaro said: As many as Tania wants. I said: What? What do you mean with as many as I want? I said: No, I am not going to count on other people without knowing. I did not like the idea of a group.

[Reporter Francisco Forteza] Would you allow me a clarification? Was it established that the entire group would enter the embassy first, or were the people going to process the legal paperwork to leave the country?

[Diaz] No, no, to enter the embassy.

[Forteza] First the plan was that the entire group would enter the embassy, and the more the merrier.

[Diaz] Yes, a group, a group [repeats].

[Forteza] A large group of people.

[Diaz] I said: What do you mean with a group? He said: Yes, a group of 10, 15, or 20 people.

[Salinas] That was done to pressure the Cuban Government so they would be allowed to go on the tour sponsored by these West German foundations and talk about alleged human rights violations in Cuba.

[Diaz] Well, I believe this was the case. Now one can clearly see that what they were trying to do was to create a scandal because there was no protection. I analyzed the list published in the newspaper, and there was no intellectual included. Who are the intellectuals they were going to protect there? There is no intellectual.

[Forteza] What is the involvement between the U.S. Interests Section and the FRG Embassy in Havana? There is a tie.

[Diaz] I do not know about that, but it is evident that this was something that was planned inside the U.S. Interests Section. That plan came out of the U.S. Interests Section. I am completely certain about that because of everything that happened. I told him that I am not going to rely on any group, and that if we were going to do it [words indistinct] only the three of us would do it. I told (Chala) that in my judgment Comrade Lazaro was not an appropriate person to go with us. I said this in front of him. He was very surprised. Lazaro asked me why, and I said: Because you are not member of the Pro-Human Rights Party and you are not an intellectual. I said: What is the protection they have to give you? I added: What is your problem? He answered: I am going to accompany you. I said: Fine.

There was talk there that it was going to take place in the Canadian Embassy. The date was not mentioned. I was still saying that I wanted to think over the matter well.

[Forteza] So, this was planned at the U.S. Interests Section, it developed in the FRG Embassy in Havana, and nevertheless is the Canadian Embassy....

[Diaz, interrupting] Yes, we were going to go to the Canadian Embassy.

[Forteza] The Canadian Embassy was going to be used. Did the Canadian diplomatic officials know about it?

[Diaz] Yes. Well, I do not know. I never went to the Canadian Embassy.

When we left the German Embassy a marvelous thing happened because that was when I realized everything. It is the only proof I have because everything else is a logical deduction. When we began walking, we were walking along an avenue—I am not sure, I believe it was Fifth Avenue or something like that—we were distracted while we were walking and talking. We saw when Anna Evans' car was entering the garage of her house. She waved at us. Lazaro said: Look, it is Anna Evans, let us go and say hello to her. I said: Let us go. She got out of her car in front of her house and Lazaro told Anna: Tania is in agreement.

[Forteza] Of course, this is an antecedent of what just happened at the Czechoslovak Embassy.

[Diaz] What?

[Forteza] This is a clear antecedent of what just happened at the embassy.

[Diaz] Sure, sure, sure. [repeats]

[Salinas] This happened in March.

[Diaz] What I am now telling you happened on 9 March. The plan did not consist of anyone jumping a fence. The official knew about the situation beforehand and was going to let us get in that day.

[Forteza] So you were not surprised by this?

[Diaz] No, I was not surprised. When I heard the news over the television that a group of people had entered the Czechoslovak Embassy, and I heard about a tour through several countries, right away I said: This is a trap, this is a dirty maneuver. [screen shows criminal background of Lazaro Angel Cabrera Puente]

[Caceres] I am curious. Do you know—since you had asked for a visa earlier at the U.S. Interests Section—if the FRG knew this? Did they know that your visa was denied and suggest to you that you go to the Czechoslovak Embassy?

[Cabrera] Well, all Western diplomatic officials—from capitalist countries—all respond to the same interests, and they are all from the same family. They consult each other about everything referring to any dissident who asks for a visa or is denied a visa. They pass along the information on the file about the person, describing the person and his traits. In this case, my experience was that I went to see (Peter Chala), FRG charge d'affaires. When I went to the U.S. Embassy [as heard] for a meeting with (William Brensy), (Brensy) told me: I talked with (Chala) yesterday or (Chala) called me. This means there was relatively frequent communication about the people who visited him at the Interests Section.

[Salinas] Did you ask for protection at the Czechoslovak Embassy?

[Cabrera] No, we did not ask for protection. I already explained that we had gone to the Czechoslovak Embassy to do the paperwork to ask for a visa. The charge d'affaires was in charge of the paperwork. The charge d'affaires was the one who made the suggestion concerning whether we wanted to stay in the embassy under the protection of the CSFR. He almost encouraged us to stay in the embassy building. He showed interest that we stay. After he proposed this and we accepted, 20 or 30 minutes later he declared us distinguished guests and under the protection of the CSFR.

[Caceres] How did the whole incident develop? I mean your relations with this official?

[Cabrera] They were good. He offered a toast, brought beer, then offered us coffee. We talked. Then he said—after telling us to stay at the embassy—he said in good humor, well, let us talk a little. What do you think the consequences of this will be? We answered that it was unpredictable, and we could not predict what was going to happen during our stay in the CSFR. He said this was the first time in 30 years that the Czechoslovak Republic was giving refuge to people at its diplomatic mission in Havana, particularly people like us, people who opposed the system.

[Salinas] Were you not surprised by the offer?

[Cabrera] Not at that time. It was so quick, so well-coordinated, that we did not question it. It was something informal: stay, this and that, have a beer. They also offered us a little cheese and ham, more beer. They said the embassy is at your service. They took us to a large room. They brought a package with sleeping gear and toothbrushes. Everything was so quick that the mind could not readily analyze the motives. Everything developed so rapidly. After an hour under the protection of the Czechoslovak Republic, they began receiving calls from different missions. In this case Canada called the embassy, and Spain called. It was later communicated to the BBC in London. He called three times and had a conference on the phone about our case. Everything happened very quickly, and the whole world was made aware of our presence there. Not more than one hour or one and one-half hours passed. It seemed that everything had been prepared, as if everything had been prepared by the hour and minute with extraordinary accuracy.

[Salinas] A news agency was the first one to break the news.

[Cabrera] Mr. Novoa called REUTER. But the person who talked to REUTER was a Czechoslovak journalist accredited in Havana. He spoke in English and then REUTER called to say that REUTER could not wait. But everything was so quick that even some Miami stations began broadcasting the incident. The next day we were handed a copy of a PRENSA LATINA press release in which....[changes thought] Everything was too fast, everything was sent by satellite. [laughs].

[Caceres] This man, did he talk about consulting with his government, about procedures, something like that?

[Cabrera] He said he had to communicate with Prague. But he talked with Prague and received an answer in 30 minutes. That is what he told us. He called Prague at 1530 or 1600, because we were eating, exchanging opinions, etc. This was coordinated. The firm decision that we were not going to stay long in the building was communicated to us between 1600 and 1630. He said that his country was declaring us distinguished guests.

[Forteza] It was around 2230.

[Caceres] It is because of the time difference.

[Cabrera] The possibility of a certain amount of money was discussed. But I do not think this is real, the issue of the amount of money, because despite the fact that they said that $100,000 was going to be paid for the trip, they demanded a sponsor. Then what is the need for a sponsor if they had the $100,000. That is, this conversation was not formal. It was more like a message to motivate our interest to make the trip and create an incident with the Cuban Government.

[Salinas] Do you not feel you have been used?

[Cabrera] I would say that all these opposition movements in Cuba are being used to serve U.S. interests, some of them conscious, some of them unconscious, some very intelligent. I think all these movements, one way or another, are being used to serve these interest. One of their interests is to attack the government. There are many forms of aggression. We have the armed aggression, the cold war, the psychological warfare, and the wars of disinformation and information.

I think this incident at the CSFR Embassy has unleashed an information war. It has resulted in a serious domestic and international situation. I think all this has been planned for some months, as you have said, like the incident at the Canadian embassy that failed. It seems as if they have been preparing these actions. I was really used.

[Eduardo Dumas] In a previous conversation you talked about some kind of self-inflicted attack.

[Cabrera] That was something that was planned some years ago. It referred to a self-inflicted attack on myself to create a conflict between Cuba and the FRG because I was a protegee of the FRG at that time. Those things are over now.

[Screen shows criminal record of Jorge Luis Mari Becerra]

[Becerra] On 2 July, I had an interview with the commission of the Interests Office as a political prisoner seeking to abandon the country....

[Forteza, interrupting] The Interests Office of the United States?

[Becerra] The United States. After the interview I was told that my situation, my personal case, was not going to be determined by the commission but by the government in Washington. This irritated me because I had great hopes of getting the visa.

[Forteza] Did you take their answer as a refusal?

[Becerra] To a certain extent I understood that they had not considered the possibility of letting me go to the United States.

[Forteza] On 2 July, did you have a meeting with the commission that interviews former convicts at the U.S. Interests Office?

[Becerra] That is correct.

[Forteza] They interview those who want to travel to the United States. A week later, however, you went to the CSFR Embassy seeking a visa, and you stayed there overnight. The CSFR Government in just one hour decided to grant you refuge. How is this possible?

[Becerra] Just imagine. I suppose everything had already been programmed.

[Forteza] You did not have another alternative. You had to stay at the CSFR Embassy. Or is it possible that your case was part of a larger plan encompassing not only the CSFR Embassy but also other embassies in Havana?

[Becerra] I cannot answer that because I do not know if there were other objectives, or something similar, that included other embassies. However, we were almost completely sure that the CSFR Embassy would give us protection.

[Salinas] Some former political prisoners, such as yourself, have said that officials at the Interests Office have told them they should not really emigrate to the United States, but that they should stay in Cuba and act against the Cuban revolution. Did you receive any suggestion in that regard, that is, that you could be more useful in Cuba than emigrating to the United States?

[Becerra] It was put forward to me that I could be of greater help in Cuba than at any other place. I understand there is a list of 706 people who were refused visas by the commission. I was also told that another commission was coming to analyze the case of those who were refused visas and that perhaps they would help two or three percent of those people to leave.

[screen shows criminal record of Carlos Eladio Novoa Ponce]

[Novoa] Before anything else I would like to make it clear that what I say here is done without pressure on me or my family. I have been manipulated by the U.S. and FRG Embassies. I was involved in the incidents at the CSFR Embassy that resulted in serious consequences for the country and for ourselves.

Then Lazaro Cabrera said he wanted to make a trip. I said: Let us see what happens. I went with him to the office of William Brencick who was the U.S. consul general in Havana. He supposedly had already left because he had ended his working tour.

[Salinas] Supposedly.

[Novoa] Supposedly. The problem was the following. I went to see William Brencick with Lazaro Cabrera. Cabrera had good relations with him, and they talked informally. He told him: Carlos could be one of the ones to go on the tour with me. Brencick said: Lazaro, the available budget is not enough. He added: Besides, Carlos is going with his family.

[Salinas] Where was the tour to go?

[Novoa] To European countries, the alleged tour I talked about earlier. He said: Carlos already has his visa, so let us wait for him to leave with his family, and we will work out everything else later. This did not go further. We talked about other subjects and left.

[Forteza] Allow me to clarify something. You are talking about the tour through Europe at the U.S. Interests Section.

[Novoa] At the U.S. Interests Section.

[Forteza] Therefore, obviously the U.S. Interests Section was involved with that alleged tour Germany was arranging.

[Novoa] No, according to my words, from the time he told me there were no provisions in the budget for that.... [changes thought] Who provides the budget? They do. They are saying there is no budget. It is not that Germany has a budget for that, but that the United States, William Brencick, the U.S. consul general, said there is not enough money in the budget for my case.

Later, I tried to talk with Lazaro about that subject and he was not able to.... [changes thought] He evaded me, and he gave me other answers and did not talk about that subject again until the commission came and interviewed us. When the commission interviewed us—we saw the things I explained to you about, the forms—Mari Becerra was not interviewed. As I said, my forms were filled out. There were about three forms per person. Sometimes they filled out only one. Not only that, but they also told him that I was leaving the country and asked who was going to head our committee, the Cuban Democratic Christian Committee. Mari Becerra said two vice presidents remained behind bars, one national coordinator, and six provincial coordinators—who do not exist. This was something he said to justify his departure and to note that someone remained here in Cuba. The official started to laugh as if saying that he was not foolish enough to swallow that situation.

Becerra even told me that he showed him the immigration official badge and an identification card. Becerra said: I have been doing this for many years. I am not improvising—look at my identification and my badge. He said: Do not give me fantasies, if your vice president leaves, who is going to stay here?

[Salinas] Therefore, they expected to leave one of the two here.

[Novoa] One of the two. They even said: Becerra, I do not decide your departure; it is decided by Washington, because the only thing that most of these human rights groups and former political prisoners want is to emigrate. They do not want anything else.

Lazaro told us that he was not going to make any other arrangements and that he simply was going to enter the embassy and ask for protection.

I told him: Lazaro, the problem is that if you and Becerra go in there and ask for protection you are going to involve me. I said: I believe that if Becerra goes in I am also going to go with you.

[Salinas] One of the things that attracts my attention is that you see a situation in which you were obviously manipulated.

[Novoa] Yes.

[Salinas] This is what you said a while ago. Nevertheless, you fell into the trap.

[Novoa] No, because I saw that there was manipulation regarding the trip. I did not see a manipulation in the sense that what happened later was going to happen. That is, that there was no such trip, that it was all a fantasy created by the embassy.

[Salinas] When did you realize that, Novoa?

[Novoa] When I saw the attitude and the things that happened. I realized that we fell into a trap.

[Forteza] Changing the subject, it would be good if you talked to us about the situation you experienced in the Czechoslovak Embassy once you were inside.

[Novoa] We entered the Czechoslovak Embassy. The charge of economic affairs came and asked us if we were asking for political asylum. We said no, that we wanted protection. The thing about the protection was a false story. What we really wanted was asylum. We did not say it in those terms, but we said we wanted protection. We even said we did not want to emigrate, that we had our exit guaranteed through other means and all we wanted was protection so that we were not arrested.

We even said that a raid was going to take place on 26 July, and that it is possible. He said that this was true—as if he knew about that situation. He simply said he was going to consult. Practically an hour after that he said yes. But what happens? Two more guys entered. Seven more came after those two. They apparently had hidden in the backyard days before, and they slipped in the embassy when they opened the embassy in the morning. This was something different. The two guys appeared to be students. Their identification cards were shown to us to see if they were known among human rights people. We said they were students for sure, but that they could have been Secret Security agents sent to see what was happening inside the embassy.

The seven others who arrived were another kind of people. They were aggressive people, people with problems. They even had criminal records. At the end when we had contact with them we found this out. We then said we did not want to have contact with them as a protection measure for us.

What happened? The Czechoslovaks did not isolate them. That is, we were isolated but in a way that they could see we had more comforts than they had. We were in an area similar to a corridor between the two houses, with air conditioning. Besides, we had the pullovers and the food they purchased for us. The other group was kept in the hall, in the heat. They ate the same food that the others received; sweets and tea. They did not receive food as we did. They felt bad because they could see.... [changes thoughts] They even took a glass of milk from our side to one of them that suffered from ulcers. We purchased the food. This was incredible. We gave the maid money to purchase cigarettes but she did not buy them. We gave her money for milk but she did bring any. Later we realized that the cigarettes she brought us were not bought. They were of the red box type, not the blue box kind. It seems that the maid took the cigarettes from the embassy's storage room and sold them to us. Not only that, a box is worth 36 pesos and she charged us 40 pesos. She made a profit there.

The problem was that these people saw that we could eat, that we had things that they wanted. Every so often an official came to us through that door. They closed the door. There was a person with a key, but they could see us when a person walked through that door. They could see how we ate. We even had a radio. Those outside could hear that we had a radio. All these things began bothering them, and they started making trouble. I told (Alian Dumok) that these people were going to create problems, that I thought the door should be kept closed, and that the people coming to us should go around the building. He agreed. But the next day, those people who were mad at us, and who were not receiving any food, broke the door. When we saw them hitting the door we ran down the corridor to the other house. Then they occupied our place.

Later we said that they had stolen our belongings because we left all our things there—our passports, Becerra and Lazaro's passports. They returned our goods, but kept many items like the cologne and the deodorant that some people purchased. We complained that they did not return those items and that we wanted them back. According to them, something that we were able to ascertain later, they returned almost all our belongings, including (Quesel's) shoes. They gave those shoes to the officials. But the officials did not return them to us. They made us believe that the other group had robbed us. What I say is true because the other group did not have the items when we got together. The officials fueled their animosity against us—as a result of the situation I mentioned—because they let the other group see the things we had. They also made us mad at the other group because of their violent attitude.

The violent elements, the criminals among them, used force to take our good place from us. We are peaceful people. We belong to the human rights organization. We did not create any problems. We were guests of honor, as I have told you. They did not do anything about it. We were sent to live at the office of [word indistinct], that is

located near the teletype, where they had the secret codes. They took the equipment and sent us there. This area is located inside the ambassador's office, a place with steel doors. We placed a few steel chairs against the door leading to the other house, to isolate the other group. I spoke again with (Alian Dumok). I said to him: Look, those people are violent. I am warning you that they will try to break the second door to get where we are. Their apparent objective is to get where we are. I do not know why.

Later I understood that they saw that we were being treated differently and that they wanted to get the same treatment. They thought that they were going to stay if they joined us, that if they stayed out, they were going to be taken out.

[Forteza] Why do you think they fueled that animosity between the two groups?

[Novoa] From what I understand, the Czechoslovaks thought they were going to have another Mariel, another incident such as the one that took place in the Peruvian Embassy.

They even came with the press note asking us to tell them what we understood as the meaning of the press note. I read it and I said: What this implies is that they are going to let a mass of people come in here—that they are going to fill this with people. They left very concerned. From that time on, relations were not the same as they had been. We stopped getting breakfast. The woman who was working there as a maid, the one who took care of us, was sent on vacation to Czechoslovakia with her daughters. They said they did not give us breakfast because of a lack of staff, since she had had to go on vacation—that it was an administrative problem.

We got angry because we saw ourselves in an ugly situation. We said: We who have behaved well, who are distinguished guests, now are without shoes, got our clothes stolen, and are here in a mousetrap. However, these people who came here causing trouble, destroying everything in the embassy.... [changes thought] They displaced us and have everything we used to have. We got angry. The husband of the lady who stays here, who is the butler, brought us spaghetti with cheese. We got angry and said we were not going to eat, that we were going on a hunger strike to protest the arbitrary actions of that group who was attacking the embassy and us, that it was a State Security maneuver, that for sure it sent a team to wipe us out, and that it was not normal.

They said: Do not begin a hunger strike because that can harm us. Besides, the mail does not leave until Thursday so you do not accomplish anything under those circumstances if you are not going to solve any problem. They said: Wait until Thursday for [words indistinct] and it is given to me and I kept it here. I said: Fine. One or two days after being there those people did again what I mentioned before. They broke the other door, they took things out, raided Jan Demek's office, broke the iron bars, and went after us. When we saw those people who broke all types of doors and irons bars, we thought they were going to kill us. We ran. We cut ourselves. I cut myself here with a glass when I broke a window to get out. We turned around and jumped through a window and fell inside the ambassador's office. They said: We want the five of them. Imagine [chuckles], I thought they wanted to wipe us out.

When they joined us, and we finally were together they said: Why did you not want to talk with us? This is when I saw that they did not want to attack us but wanted to talk. I then jumped out the window and talked to them. They said: Not now, look at all that we have done to get to you. I said: No, we were afraid because we did not know what your intentions were. They said: What do you think our intentions are going to be? We want to struggle to get out of here, they said. They went on saying: We did the same thing you did. They added: You have to support us, we are being dumped because you are going to receive exit permits and we are not. We began to confront each other. We said we could talk but they said: We cannot hold any conversation now, we all need to come out together. We then were picked up [words indistinct]. We were placed in one of the offices downstairs.

They locked everything up, locked the doors, and took the keys from the butler. They assaulted that. They simply were there and kept us as prisoners until they decided to leave.

[Salinas] In your opinion, which governments were involved in the plot?

[Novoa] Mainly the United States because, according to the first part of the conversation we had at the U.S. Embassy [as heard] regarding the budget, the budget was American. Secondly, Germany because Germany knew all about this situation. (Chala) told me that this was handled at high levels of the government, and on the other hand he said Brencick knew this as if the leaders were in agreement. Thirdly, Czechoslovakia was involved.

I do not believe that a diplomat is going to dare to carry out any kind of move like this if he does not get guidance from other levels.

[Salinas] What was the goal of that plot?

[Novoa] I believe to create instability and the idea that an embassy is not safe in Cuba because it at the risk of being broken in by criminals who come in and break everything and that nothing happens, that the government does not act, and that it does not take any kind of measures. That is, that there is instability for any type of embassy in Cuba.

[Caceres] Lazaro, is there was anything else that you want to mention that you consider interesting, or that you are interested in saying?

[Cabrera] Well, the events that took place in the Czechoslovak Embassy on Monday [16 July], in my opinion,

were created by the diplomats. What I can say is that these seven individuals acted on their own and that they did not belong, as was said, to a government commando, a commando led by the Cuban Government to harm us or to take us out of the embassy, as was said at 2230 by the press secretary, that Cuba had violated the diplomatic immunity of his embassy, that it had obtained the goal of getting us out of the embassy. I am not making this statement .... [changes thought] I am making this statement from the viewpoint of my ideological position but, with all honesty, I believe that this action was preplanned to create a national and international conflict. I believe they have achieved it. It is not true that the Cuban Government sent that commando to attack us.

[Salinas] Lazaro, I would like to go back to the beginning of the conversation. You entered the Czechoslovak Embassy. Was there some kind of plan to carry out the same thing months ago?

[Cabrera] In the month of May I know that a trip to Europe was planned to report the activities of the dissident groups in Cuba, of the activities being carried out in defense of human rights because none of this was known in Europe. There were not enough views about the opposition in Cuba. The trip made by Ricardo Bofill Bages to Frankfurt and Bonn was a failure. This was said by Mr. (Chala) himself. He said that his meetings had not made waves and that his interviews had not been published as it had been expected. Bofill's work was not a positive one because the work had not been done showing massive and general violations, but it touched on individual people—that the work carried out in favor of human rights in Cuba had not been very productive for the commission.

[Salinas] The meeting had taken place in March.

[Cabrera] Yes, the meeting had taken place recently. I learned that Mrs. Tania had been told to prepare a congratulatory letter for the Human Rights Commission, which had sanctioned Cuba. She prepared it and it was delivered to various diplomatic missions in the country. Later, the FRG Embassy was visited on 8 March at 1600. Mr. (Chala) mentioned the possible trip to Europe, its importance, and the people who should go, people who were recognized dissidents with a defined international image.

The possibility was discussed with the Canadian charge d'affaires to give protection in that embassy on 12 March, which I believe was Monday. It was discussed that it was possible the Cuban Government could opt to withdraw its guards and that a mass of people would enter the embassy and a national conflict would be created with international repercussions to destabilize the policy carried out during those months.

[Salinas] Do you think that any of the people who entered the Czechoslovak Embassy were truly persecuted politically?

[Diaz] No, none of them. I know several of them. That was a planned thing to create a scandal, to create something with who knows what other worse consequences by throwing furniture out the window. They would have wanted a death to have occurred, to get a martyr. They are crazy looking for a human rights martyr and that martyr has not shown up.

[Salinas] I believe that your statements could cause a stir in some circles, especially in Miami where right-wing Cuban emigrees control the media, have the economic power, are very close to the Bush Administration, and are very involved in all this intensification of pressures against Cuba. They may think that you were forced to make these statements.

[Diaz] Sure, that I am trying to get away from a prison sentence, and this is not true. It would be a shame if they thought that I have been pressured or blackmailed or coerced here. None of that has happened.

[Salinas] It was the Geneva days, and you even prepared a document practically congratulating the U.S. Government.

[Diaz] Yes, I prepared it.

[Salinas] That was something very painful for Cuba because of that betrayal that took place in Geneva, the new balance of powers that was created there, and all the work that the United States did. Do you think that because of that, in addition to Lazaro and other people, you have also been manipulated and that you personally have been used for all this campaign?

[Diaz] Yes, unfortunately it has been so. Regrettably, it has been so.

Human Rights Association Members Interviewed

FL1907190090 Havana Tele Rebelde Network in Spanish 1039 GMT 19 Jul 90

[Video report on the "terrorist" members of the Pro-Human Rights Youth Association, tried in Case No. 16 of 1990; italicized passages provided in captions—recorded]

[Excerpts] *The video material that follows pertains to statements made by some of the terrorists brought before the court for crimes against state security in case No. 16 of 1990. We invite you to learn, from their own words, what their goals were, what their ties were, and, above all, who the members are of the self-proclaimed Pro-Human Rights Youth Association. The People: Jose L. Martinez Vidal, imprisoned for rape, 21 years old; Luis E. Linacero Martinez; group leader, 21-year-old worker; Guillermo Campos Muniz, 21-year-old worker; Miguel A. Fernandez Crespo, imprisoned for attempted illegal departure, 24 years old. Plan For Blowing Up the Jose Marti National Library:*

[Martinez Vidal] The method was the following: We tried to spread the explosives among the shelves to cause

a fire in the shelves. The room there is similar to this one, but it is for children and it is in front. It is specifically for children and it is in front. *Plan to Dynamite the Headquarters [master] of the ICRT [Cuban Institute of Radio and Television]:*

[Linacero Martinez] He said he [not further identified] worked for the ICRT and he said that [words indistinct] he would enter the ICRT with a uniform someone gave him.

[Unidentified speaker] What kind of a uniform?

[Linacero Martinez] A communication worker's uniform.

[Speaker] A communications uniform?

[Linacero Martinez] Yes, communications. He said that if Fidel was speaking, or something like that, that he would cut off the broadcast.

[Carıpos Muniz, *ICRT worker*] He told me that it would be good to do something there. He said: What do you do there? I told him that I was doing maintenance work. I said I am doing maintenance. He asked me: How do you get in there? I told him: Compadre, it is very difficult to get in there. You have to have a pass or something. I do not know. [Sentence indistinct] The only way I think you can get in, is if you are dressed as a phone company worker.

[Narrator] By identifying the counterrevolutionary views and goals, this subversive group was linked to the illegal Pro-Human Rights Party of Cuba [PPDHC] through the municipal delegate in Plaza de la Revolucion, Miguel Angel Fernandez Crespo, 24 years old, who is currently fulfilling his sentence for attempted illegal exit. The result of this tie is that the Pro-Human Rights Youth Association had the role of being the armed clandestine branch of the illegal PPDHC.

[Fernandez Crespo] At the third meeting, which, as we said, was in (?Minas), we spoke of such things as the possibility of that group serving as the armed branch of the PPDHC and a number of other things. I am not a.... [changes thought] I was not a good citizen.

[Speaker] Why not?

[Fernandez Crespo] Because I, as a boy....

[Speaker, interrupting] Why?

[Fernandez Crespo] [Words indistinct] I met with people and I did such things, for example, as smoke marijuana. I did it on several occasions.

[Excerpts] *Statements by some leaders of the illegal PPDHC called to testify in court:*

[Second unidentified speaker] [Words indistinct]

[David Moya, *executive secretary of the PPDHC*] Yes.

[Second speaker] What position did Fernandez Crespo hold in the party?

[Moya] Fernandez Crespo held the position of municipal delegate of Plaza. [passage omitted]

[Second speaker] Thank you, [word indistinct].

Did you try to maintain relations with embassies?

[Jorge M. Santacana Valdes,*executive aid to the secretary general of the PPDHC*] No, I was told [words indistinct] relations with an embassy.

[Second speaker] With which embassy?

[Santacana] With a capitalist embassy.

[Second speaker] Which one?

[Santacana] With the [U.S.] interests office, the Venezuelan Embassy, and also with press agencies.

[Second speaker] Do you know if your party leaders maintained relations with that diplomatic headquarters?

[Santacana] Yes, the party leaders maintained relations with them.

[Second speaker] Can you give me an example?

[Santacana] Martinez Lara and [name indistinct] Alfonso [words indistinct].

[Second speaker] With which embassy officials did they speak to?

[Santacana] They spoke with officials in the interests office. They had ties with Mr. (Scott); with Mr. (Sheeman), who was responsible for political affairs; and with Mr. (Capriles). I cannot remember any more.

[Second speaker] Did you receive guidelines from them?

[Santacana] I do not know what to say.

[Second speaker] In the month of April 1989, did you participate in a meeting on (Calle Jobo)?

[Santacana] Yes, yes, they met there every Wednesday.

[Second speaker] Uh-huh. Do you remember this meeting because of something specific that was discussed or because of something that someone said to you at this meeting?

[Santacana] Well the day before the meeting, Tuesday, Martinez Lara and Mrs. (Marie Fe de Cespedes) had a meeting at Mr. (Scott's) house and the following day at the meeting, a new structure and a new mechanism was announced within the human rights movement.

[Second speaker] [Words indistinct].

[Santacana] It created the action and sabotage group with a special structure. For example, the members of this group were not minors, they were not known by state

security organs. They were people who in some way may have been or were affected by the state and they were people who were politically discontented.

[Second speaker] Did Samuel Martinez Lara (?discuss) this with you?

[Santacana] Exactly.

[Second speaker] Now, was this a personal decision made by Samuel Martinez Lara, as you said, or was he directed to do some of these things at the meeting on Tuesday, the day before the party meeting, at Mr. Smith's house?

[Santacana] At (Scott's) house.

[Second speaker] At (Scott's) house.

[Excerpts] [Santacana] Well, we did not exactly have a discussion. We changed our policy. Up to then, our party had been perhaps entirely humanitarian, correct? That is one of the accusations. It was practically suspended because of the guidelines received from Mr. Scott. [Words indistinct]. Yes, after the meeting with Mr. (Scott), the structure of the party changed.

[Second speaker] [Words indistinct] the creation of this line of action and sabotage parallel to the public facade of the PPDHC [words indistinct] in regard to such things, for example, as migration, ways of fighting, etc?

[Santacana] [Words indistinct]. He also served as a witness for political prisoners. We were told to try to keep people from permanently departing the country. The goal was to try to create a fifth column in the Cuban state for the purpose of overthrowing the government. That was the party line, to integrate the party and all these people.

[Second speaker] Did you receive a specific guideline at that time from these officials on their economic interests in the Caribbean?

[Santacana] Yes, at that time, the interests office made its desires known, specifically in regard to Antilla de Acero [steel enterprise] in Cotorro Municipality, in [word indistinct]. They were interested in Antilla de Acero for the purpose of using the line of action and sabotage group and they were interested in the [word indistinct] French newspaper.

Conclusions Made by Prosecutor Sara Nieblas Rodriguez

[Nieblas Rodriguez] These are the human rights groups. Who promotes and encourages them? I think that we have proven here in the oral trial who is promoting and encouraging this. One of the witnesses we have brought here has answered that.

Apparently, the policy of the PPDHC was an anti-imperialist policy. It was inspired by a Marti principle. Everyone knows that Marti was an anti-imperialist. Nevertheless, up front, they are anti-imperialist but, in reality, they were speaking to the officials of the interests office and they accepted the [words indistinct] of these officials and they accepted the objectives that those officials have in this country. That has also been proven here. The objectives that those gentlemen have here in Cuba is to not [words indistinct], to produce internal struggle, internal chaos. They also have the audacity to concern themselves with how we develop economically. They want to interfere in the economic development of our country.

The objective, the interest, of the U.S. Interests Section in Cuba was clearly stated here in regard to sabotage and the creation of the group of action and sabotage, which was ready to take actions against Antilla de Acero. In this regard, because it was brought up here and you know that the leadership of the PPDHC is also being investigated, I ask the court, because of the statements made here at the oral hearing which implicate the leaders of the PPDHC, to obtain testimony from the state security organs so that the investigations can be expanded in regard to [words indistinct] and the development and creation of terrorist groups, such as this Pro-Human Rights Youth Association, which, at times have been directed by leaders of the PPDHC and on occasions [words indistinct] by their own policy.

Envoy Comments on OAS Position, USSR Events

PA1907184990 Mexico City NOTIMEX in Spanish 0526 GMT 19 Jul 90

[Text] Mexico City, 18 Jul (NOTIMEX)—Cuban Ambassador to Mexico Jose Fernandez de Cosio said today that his country has rejoined the OAS, according to the latest meeting of the Rio Group held in Peru.

He said he was unaware of the alleged statements by OAS Secretary General Joao Clemente Baena Soares to the effect that Cuba was out of the organization and that certain conditions were required in order for it to again be accepted.

"Cuba is serving Latin America within the OAS, making contributions, giving positive answers. It is not the country's role to take initiatives, but rather to wait until these initiatives are taken," the ambassador said at the Mexico City airport when answering a question.

As to how USSR events affect Cuba, he said this is very complex. He added his country feels it is up to the Soviets to decide what they want, and Cuba respects their decision. The Cubans are only witnesses of the political events that are taking place in the USSR.

To conclude, he said that Mexico is a good market for Cuba and that the current trade between the two countries is good, inasmuch as Cuba requires many Mexican products.

Culture Minister Speaks to Mexican Intellectuals

FL2007125590 Havana Tele Rebelde Network in Spanish 1130 GMT 20 Jul 90

[Text] Cuban Culture Minister Armando Hart Davalos asserted in Mexico before an important group of Mexican intellectuals [words indistinct] economically should be done spiritually and culturally. At the Cuban Embassy in Mexico City, Hart talked with several dozen Mexican intellectuals, among whom were Pablo Gonzalez Casanova, (Erapio Cepeda), [names indistinct].

Topics concerning Latin American culture, political philosophy, and the changes or transformations in the world today, as well as the Mexicans' unanimous support in solidarity with the Cuban revolution, took up the almost three hours of the meeting. Armando Hart explained that Cuba's intention to resist the ideological, economic, and political attacks of the United States means not only defending socialism, but also defending nationalism.

Castro Inaugurates Frank Pais Monument

FL2007132290 Havana Tele Rebelde Network in Spanish 1130 GMT 20 Jul 90

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, has inaugurated a monument at Havana's Frank Pais Hospital honoring the hero of our revolutionary struggle. [video shows Castro laying flower at base of monument] The monument built by sculptor David Rosales is comprised of five columns of pink marble, which symbolize the invading rebel columns, as well as a central column of white marble, which represents the vigor and strength of the clandestine struggle. Also in white marble is the figure of Frank Pais and his three noms de guerre on the side: Salvador, Cristian, and David.

The reporters for this newscast spoke with the commander in chief in regard to Frank Pais.

[Begin Castro recording] The monument is very nice. It looks just like him, as if we were looking at him on that very day.

[Reporter] He looked like that?

[Castro] Yes, he looked just like that. He was a very vigorous boy. He was very well-organized, very brave, very intelligent. He had all the qualities needed to lead the clandestine movement. He truly did a lot for the revolutionary movement. [end recording]

Later, the ceremony was held awarding the Internationalist Worker Medal to 14 comrades, the 26 July Staff Diploma to the hospital, and the Unit of and for the People Award to the hospital.

Cabrisas Heads Trade Delegation to Romania

FL2007131590 Havana Radio Rebelde Network in Spanish 2339 GMT 19 Jul 90

[Text] Today in Bucharest, Cuban and Romanian delegations have begun to examine the progress of bilateral trade and commitments for the three-year period from 1991 to 1993. Official sources have stated that the talks are taking place in an open and friendly atmosphere. The Cuban delegation is headed by Foreign Trade Minister Ricardo Cabrisas, while the Romanian delegation is led by Trade and Tourism Minister Constantin Fota. The volume of Romanian-Cuban trade is about 250 million rubles per year.

Secretary Roberto Robaina Arrives in Argentina

FL1907231590 Havana Radio Reloj Network in Spanish 1932 GMT 19 Jul 90

[Text] Roberto Robaina, first secretary of the Cuban Union of Young Communists [UJC], today arrived in Argentina. Robaina will meet with Argentine government officials, legislators, and political and cultural leaders during his stay in that country.

Upon his arrival at the airport in Buenos Aires, Robaina said that the purpose of his tour—which also included Uruguay and Brazil—was to get acquainted with the situation of those peoples and exchange opinions on the Cuban reality. Robaina said he was encouraged by the solidarity and affection toward the Cuban revolution that was shown, among others, by the support committees and by the people who attended his meetings. The alternate member of the Politburo of the Communist Party of Cuba [PCC] said that the imperialists are carrying out a gigantic campaign of disinformation against Cuba to distort what happens on the island. Robaina added that Cubans today are more united with the PCC than ever before in order to defend the revolution.

Nuclear Cooperation Agreement Signed With Mexico

FL1907140490 Havana Tele Rebelde Network in Spanish 1000 GMT 19 Jul 90

[Text] Mexico and Cuba have signed cooperation agreements in the Mexican capital in the field of the peaceful uses of nuclear energy, and the exchange of experts and scientific and technical information in that area. Officials of the Mexican Secretariat of Energy, Mines, and Parastate Industry and the Cuban Executive Secretariat for Nuclear Affairs signed the document, which in the opinion of both parties will be beneficial and satisfactory for both countries.

At a news conference after the signing of the agreements, the Cuban organization's Executive Secretary Fidel Castro Diaz-Balart expressed the Cuban Government's satisfaction with the arrangement reached with the Mexican authorities.

Raul Castro Concludes Tour of Eastern Provinces

FL2007124090 Havana Tele Rebelde Network in Spanish 1130 GMT 20 Jul 90

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba and minister of the Revolutionary Armed Forces [FAR], concluded in Holguin his tour of the eastern provinces. In Holguin, he visited the tile factory of the Jose Luis Tasende Ceramica Blanca Complex. There he showed interest in the operation of a new line, in the testing phase, capable of producing 54 million units per year. The minister of the FAR also toured the plant where the basic raw materials are processed for glazing tiles at low temperatures.

Later he went to the Mayave beer factory, which is in the completion and testing phase. Arnoldo Rodriguez, head of the 2nd brigade of the 9th ECOI [Engineering Projects Construction Enterprise], which is in charge of the project, informed him that the factory's capacity was 400,000 cases per year, intended to supply [words indistinct] of the territory, where he expressed his satisfaction and praised the fighting spirit that the people of the eastern provinces have shown at all times.

Haiti

State Council, Executive Resume Dialogue

FL1907174590 Port-au-Prince Radio Metropole in French 1600 GMT 18 Jul 90

[Text] There has been a timid resumption of dialogue between the State Council and the executive, with the Provisional Electoral Council [CEP] mediating. A first meeting was held yesterday between State Council President Dr. Louis Roy, five State Council members, three Trouillot government ministers—the ministers of foreign affairs, justice, and commerce—and the president and several members of the CEP.

The Assembly for Concerted Action [AC] was not invited to yesterday's meeting which was held following the CEP invitation, extended last Monday [16 July] to the parties in conflict to sit down and discuss how to apply the 4 March 1990 alternative.

The CEP is thus offering to mediate in the crisis. It is indeed mediating, and now we will hear the position of the ANDP [National Alliance for Democracy and Progress], which is comprised of the MIDH [Movement for the Establishment of Democracy in Haiti], Panpra [Nationalistic and Progressive Revolutionary Party of Haiti], and the MNP-28 [National Patriotic Movement of 28 November].

Here is the ANDP position, read by the leader of MNP-28 [Dejean Belizaire].

[Begin Belizaire recording, in Creole] ANDP Statement: In view of the state of confusion and uncertainty that has characterized the life of the Haitian people since General Williams Regala and Dr. Roger Lafontant returned to Haiti, we of the ANDP have received with great interest and respect the appeal made by the members of the CEP for a meeting between the executive and the State Council, while also asking that people hold off on the ultimatum that a number of political organizations gave to President Trouillot. We see this initiative as an act of great courage and patriotism. It has the merit of rendering the political climate less tense and at the same time permits the Haitian people to return to its senses, in this (?crucial) situation, which (?has a tendency to incline) everyone (?to hasty action).

We congratulate the members of the CEP, who did not hesitate to place all their credibility at the service of the search for a climate of peace, a policy of dialogue and concerted action by different institutions and political forces called upon to ensure a successful transition to democracy.

On the other hand, the ANDP asks the CEP, in this situation of political torment, to take all necessary precautions to not allow itself to get sucked in and stray from its true mission. Thank you. [end recording]

That was the leader of the MNP-28, which is a member of the ANDP.

Lafontant Backers Disrupt Court; Police Called

FL1907173090 Port-au-Prince Radio Metropole in French 1600 GMT 18 Jul 90

[Excerpts] [Announcer] Public Prosecutor Bayard Vincent has once again, for the second time, been summoned to the court of summary jurisdiction at the request of Roger Lafontant's lawyers. After the first arrest warrant issued for Lafontant by Mr. Vincent was rescinded, he issued a second one.

Mr. Vincent was vigorously applauded today by a crowd of mostly young people as he arrived at the Law Courts. [passage omitted]

[Reporter Rothschild] [passage omitted] The meeting this morning was completely disrupted by partisans of Jean-Claude Duvalier's former minister, who chanted slogans hostile to political militants and hostile to the Communists. They yelled "Long live Lafontant" inside the Law Courts. The court session was disrupted and has just resumed here at the court of summary jurisdiction.

The police had to be called. There is, at present, a rather noteworthy police presence at the Law Courts, where, in the office of the doyen of the civil court of Port-au-Prince, this very special session is going on right now, a court session at which the public prosecutor and Roger Lafontant's lawyers are in opposition.

Thus, the situation is still a bit tense right now, for the partisans of Roger Lafontant are still at the Law Courts.

We also wish to point out that several political leaders have come to the Law Courts this morning to give Public Prosecutor Vincent moral support. Mr. Vincent called the radio

stations yesterday to report that his life is in danger for he is constantly receiving anonymous telephone calls from terrorists who call him up to tell him that he is going to be killed. Members of his family are also receiving the same kind of telephone calls. [passage omitted]

[Announcer] [passage omitted] The police have not as yet been able to arrest Lafontant, who is no longer appearing publicly, except through his lawyers.

Secret 'Macoute' Meetings Denounced in Jeremie

FL1907180090 Port-au-Prince Radio Metropole in French 1600 GMT 18 Jul 90

[Report by Jeremie correspondent]

[Text] Several Grande Anse associations have denounced clandestine meetings being held by groups in the pay of Dr. Roger Lafontant and former General Williams Regala. In a a press release, these popular organizations stated that the Macoutes are planning to take back power—whatever the cost—because there are persistent rumors of money and weapons being distributed in several places in the vicinity of Jeremie. The names of partisans of the former regime are cited in this press release. The members of the unions and popular organizations in question feel it is their duty to denounce the macabre design of those they call Macoutes.

However, a well-informed source says one of the collaborators of the Duvalier regimes, whose name the source does not give, is ready to initiate legal proceedings in criminal court against anyone who might try to implicate him in subversive actions.

Also, certain sectors think there is no real danger in the Grande Anse, and speak of political maneuvering by mass organizations.

In any case, to all appearances, the political climate is very calm in Jeremie.

Union Sector Position Statement on Crisis

FL1907183090 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 19 Jul 90

[Excerpts] The nation's union sector has issued a statement in which it says that the solution to the crisis perturbing Haiti will be found by taking the path toward a change in government. They say that over the last few weeks many things have happened in Haiti that have made the political situation more difficult than before while, nevertheless, also making it clearer.

Everyone who would like to see change in Haiti has witnessed various types of serious incidents. One example is the latent conflict between the State Council and the president, which finally broke out into the open in the 9 July letter and in the meeting (?at) the Chamber of Deputies on 12 July.

Another incident is the murder of State Council member Serge Gilles [last name as heard; Council member murdered was Serge Villard] and our fellow unionist Jean-Marie Montes at the meeting at the Hotel Santos on 21 June. A third is the attempt by the Macoute sector to reappear in force, as shown by the way Regala and Lafontant stomped back into the country in a show of force.

The union sector says: Whatever the case, as it affects us, the union federations—CATH [Automonous Organization of Haitian Workers], CNEH [National Confederation of Haitian Instructors], KOTA [Confederation of Haitian Blue-Collar Workers], OGITH [General and Independent Organization of Haitian Workers], and SEEH [Electricite d'Haiti Employees Union]—there is a main point we would like to stress: All these things constitute a balance sheet of the first three or four months of the current provisional government.

It really is true that the government has not demonstrated that it has any political will to effect any changes—not even the smallest changes, such as the few little things the union sector had asked it for: security, justice, and a lowering of the cost of living. These are things that fall within the framework of the conditions that should be fulfilled so that proper elections can be held, elections that the CEP [Provisional Electoral Council] is to hold. [passage omitted]

The presence of Roger Lafontant and Regala serves to aggravate the crisis, the union statement reads. This has led to all the protests (?heard), which resulted in the 12 July strike. This was a way for the people to say clearly that they do not want a personal government. In other words, it does not want any Macoutes. It is also continuing the battle to establish a rule of law.

All these things have created a climate of confusion in Haiti, and even the political class has split up into several camps, with one trying to "score" against the others. How does the union sector look upon this matter? Well, the union sectors remind everyone, in view of this (?difficult) situation, that in its press releases of 15 February and 5 March we said that the only solution to this crisis lies in changing this (?kind of) government.

"It is precisely because you did make that choice that we supported the 4 March 1990 alternative, which we clearly said was a fragile compromise in which we were going to try to combine an old formula—Mrs. Trouillot's government—with something new—the State Council—(?in which) we continued to believe. That is also why we said, on 13 March 1990, that two things had to be done: First, the State Council had to have cooperation and support, a State Council which represents us; secondly, that we had to do everything we could to have this government stay in power, while pressuring it to satisfy our demands—demands such as the demand for justice, security, and a lowering of the high cost of living, which are conditions necessary for the CEP to be able to hold proper elections in Haiti. [passage omitted]

We think it is not too late for us to once again ask the politicians to show a little discipline. If you will do this, you will be able to do accomplish things: bury the Macoutes, who are the enemies of us all; and specifically, help the Haitian people make a proper choice, a choice that will be good both for the Haitian people and for the nation.

We the union federations—CATH, CNEH, KOTA, OGITH, and SEEH—are calling on everyone in the country, to those battling within all kinds of organizations, and especially to the members of our organizations who are all fighting for change and who today do not understand clearly because of all this confusion, to struggle on resolutely and not give up, because the struggle to set up the kind of government we want is not going to be handed to us on a silver platter. On the contrary, it is only by strengthening our organizations and cooperating with other organizations, only through such a battle will we be able to put an end to the reign of the Macoutes once and for all, as well as set up the society we dream of: a rule of law. [passage omitted]

El Salvador

FMLN Wants U.S. To Join in Peace Talks

PA2007010890 Paris AFP in Spanish 2150 GMT 19 Jul 90

[Text] San Jose, 19 Jul (AFP)—Upon his arrival in San Jose, Salvadoran rebel Commander Jorge Shafik Handal has said that the Salvadoran guerrilla movement believes it is necessary that the United States participate in the negotiations between the guerrilla movement and the Salvadoran Government to reach specific agreements and attain peace.

Handal heads the guerrilla delegation that will begin the third round of negotiations with the Salvadoran Government tomorrow; the Geneva protocol was signed last April.

Commander Handal said the Farabundo Marti National Liberation Front (FMLN) is willing to negotiate in order to attain peace. Handal stated, however, that it is necessary that the Salvadoran Government yield on the issue of the country's demilitarization.

In this regard, Handal added that it is necessary that the United States be represented in the fourth round of negotiations, because the guerrilla movement considers the U.S. pressure as vital in attaining the said demilitarization since the Salvadoran Armed Forces "refuse" to begin a process of "reduction, purging, and ending their impunity" as the FMLN has demanded.

Handal indicated that the United States can be considered a leading factor in this conflict because "it supports the war" with its military aid.

According to reports released in Washington this month, George Bush's government is willing to reduce and even freeze the military aid for El Salvador to promote the peace negotiations and to accelerate the trial and sentencing of the military men involved in the murder of the six Jesuit priests last November.

The Salvadoran Government has requested $85 million from the U.S. Congress for the 1991 fiscal year, but according to U.S. sources, that figure could be reduced by 15 to 30 percent, depending on the results of the Salvadoran peace negotiations.

It is thought that that decision will depend to a great extent on the commitments made by the Salvadoran Government and the guerrilla movement at the San Jose meeting.

A U.S. State Department spokesman said two days ago that "the dialogue must lead to a sincere commitment" in search for specific results. The spokesman added: "We place a great deal of importance on those talks."

Handal said that the FMLN expects specific agreements from this meeting, but these agreements do not depend on the guerrilla movement but on the government, because the agenda's main point will be the reorganization of the Armed Forces.

According to the guerrilla leader, apparently the Army and the government have agreed that the issue of the Armed Forces is "nonnegotiable."

Nevertheless, he added that they are "optimistic" and that they hope there will be progress and specific answers in this round; otherwise, he again warned that the FMLN is prepared to launch a big offensive in El Salvador to pressure the Salvadoran Government to yield regarding demilitarization, an issue that is interconnected with other issues.

"To the extent that repressive groups are eradicated from the Armed Forces, better conditions will be established for reaching agreements that will lead to peace," he stressed.

Handal is accompanied by Eduardo Sancho, Ana Guadalupe Martinez, Maria Marta Valladares, Salvador Samayoa, Dagoberto Gutierrez, Roberto Canas, Miguel Saenz Varela, Cristina Henriquez, Ana del Carmen Escobar, and Rafael Moreno.

The government delegation, which will arrive tonight, includes Justice Minister Oscar Santamaria, Colonels Juan Antonio Martinez and Rodolfo Revelo, and presidential advisers Abelardo Torres and David Escobar.

The dialogue will end on 24 July and will be held at the Herradura hotel, 15 km east of San Jose.

FMLN's Cienfuegos on Negotiations, Offensive

PA1907214690 San Salvador Radio Cadena Horizonte in Spanish 1800 GMT 19 Jul 90

[Italicized passages are recorded]

[Text] The Farabundo Marti National Liberation Front, FMLN, has told this newcast that the electoral reforms presented by the political parties at the talks in Mexico will not be on the agenda of the next meeting that they will hold with the government in Costa Rica because they believe the reforms are incomplete.

During an exclusive interview with this station, Commander Ferman Cienfuegos said that the agreements reached by the Interparty Commission are procedural in nature and do not represent contributions to the contents, such as the electoral registry and the number of voters. Cienfuegos pointed out that a political agreement cannot be drafted on the basis of that consensus. In this sense, the reforms would not be discussed during the next round of talks that will begin on 20 July in Costa Rica.

[Begin Cienfuegos recording] In fact, we received documents dealing with points ranging from the electoral process up to the time of balloting. We mentioned this to the political parties and they have agreed that the document is incomplete, that is, it is not a document that can really be (?taken) at this time to the negotiating table. [Passage indistinct]. We told the parties that this document could hardly be the basis for a discussion or to negotiate so to speak, (?or to reach) a political decision

about the electoral problem because it was [word indistinct] and it contained elements dealing too much with procedures and really overlooked the political decisions.

The document does not yet touch on the political decision, which is to dismantle the apparatus of the military dictatorship, which is to hold a truly free election during which votes can be cast [words indistinct].

Regarding this question, we can state that this document does not yet provide the basis to permit us to reach agreements. In other words, the document reflects a consensus of the parties. However, at the negotiating table it would not allow us to (?juggle) all elements required to make decisions. These elements are not only subjects for the negotiating table but are part of any agreeement on [word indistinct] the electoral topic. [end recording]

Cienfuegos said that the FMLN is prepared to discuss other matters at the negotiations but stressed that the matter of the Armed Forces continues to be a cental topic. If this is a problem, however, we can discuss other aspects, the guerrilla leader emphasized.

In this framework, the rebel commander expressed fears of some backtracking in the peace process, following the statements by Colonel Rene Emilio Ponce, chief of the Armed Forces General Staff, who has asserted that the Armed Forces are not a topic for discussion. He referred in the same manner to the statements by Dr. Armando Calderon Sol, president of Arena [Nationalist Republican Alliance], who said that the agreements cannot exceed the constitutional framework. According to Cienfuegos, this reflects a boycott by the hardline sectors in Arena, because the official commission made this commitment in Caracas when it agreed to the agenda.

[Begin Cienfuegos recording] We thought that this framework of measures regarding the Armed Forces could create an atmosphere of security that would gradually begin eliminating the political parties' and social forces' fear and terror of their political participation. We had agreed to discuss these issues and have discussed them already. In view of these most recent statements, however, it seems that they are practically refusing to continue these discussions. Undoubtedly, somebody is trying not only to boycott, but to block the negotiations. [end recording]

As for the murder of an Army major and a captain, the guerrilla leader said that this is part of the war and that the FMLN fighters can certainly die in similar conditions, thus showing that these type of incidents will continue.

Finally, Cienfuegos described reports regarding a new guerrilla offensive as tendencious because the reports frame the offensive within a context that is different from the war we are experiencing. Cienfuegos stressed that as long as a cease-fire is not attained, the murders and offensives are legitimate tools.

Rebels Blow Up Power Lines in Capital

PA2007043590 Paris AFP in Spanish 0417 GMT 20 Jul 90

[Text] San Salvador, 19 Jul (AFP)—The police reported that the Salvadoran capital was shaken tonight by a wave of dynamite attacks on power lines by urban guerrilla groups. However, no casualties have been reported.

Two electricity poles were dynamited in the center of San Salvador, causing alarm among citizens. At the same time, two other explosions occurred, causing a temporary power outage.

The Army and security forces have been intensely patrolling the Salvadoran capital by land and air in view of the threats by the Farabundo Marti National Liberation Front to lauch a new military offensive.

The attacks tonight come a few hours before the 20 July start of a new round of direct talks between the government and the guerrillas in the Costa Rican capital.

10 Army Casualties Reported in FMLN Ambush

PA2007044390 San Salvador Canal Doce Television in Spanish 0343 GMT 20 Jul 90

[Text] The Farabundo Marti National Liberation Front [FMLN] said today that it had caused approximately 10 Army casualties during an ambush on 18 July in San Vicente Department. An FMLN communique broadcast by Radio Venceremos said that the action was carried out against a military convoy of the Arce Battalion, which was traveling near Tecoluca.

The Armed Forces Press Committee also confirmed the rebel attack, but it said that no casualties were sustained during the action.

Meanwhile, peasant Jose Antonio Figuera lost his left foot when he activated a booby trap that had reportedly been left behind by the FMLN in Suchitoto jurisdiction.

Guatemala

URNG Alleges 'Signs of Regression' in Peace

PA1907162190 Hamburg DPA in Spanish 1719 GMT 17 Jul 90

[Text] Mexico City, 17 Jul (DPA) — According to an interview published today by the Mexican newspaper LA JORNADA, Luis Becker, representative of the Guatemalan National Revolutionary Unity (URNG), said the Guatemalan guerrillas believe there are "signs of regression" in the peace process in Guatemala.

Becker told LA JORNADA that the rebels' concern is based on recent statements by new Defense Minister General Juan Leonel Bolanos, who on 30 June said that the dialogue with the URNG will only take place "when insurgent groups lay down their weapons."

Becker, who is a member of the URNG political-diplomatic commission, said that this condition, which the Army and President Vinicio Cerezo had supported for years, had been overcome by Cerezo, as well as by former Defense Minister General Hector Gramajo.

He added that "this new change of direction is worrying," because "it shows that Bolanos and the president himself could again lean in favor of the most conservative sectors still opposing a negotiated solution to the war."

However, Becker said, a larger number of sectors are now interested in supporting a negotiated solution. He mentioned the specific cases of businessmen, stockbreeders, and nontraditional farmers, who, according to the rebel leader, fear that the continuation of the military conflict in Guatemala could seriously affect their economic interests.

Becker also stressed the support the Guatemalan churches have given to the negotiation process, with the exception of the self-styled fundamentalist churches, among them the Church of the Word, which supports the illegal nomination of former President Efrain Rios Montt, who staged a military coup in 1982.

Becker warned about the danger represented by the campaign promoted by Rios Montt's followers—who seek to get the nomination of the coupist general accepted—because this could generate a new coup d'etat or violent actions that could force the government to suspend the elections.

As part of the peace process implemented in Guatemala, the URNG met National Reconciliation Commission delegates in Oslo, Norway, in March, and then in May held a meeting with political parties representatives in Madrid, Spain. The URNG has scheduled meetings with the business sector, social groups, and humanitarian organizations.

Becker added that the guerrillas expect to reach a "great alliance" out of these debates and agree on the agenda for the upcoming meetings among the URNG, the government, and the armed forces, to search for a negotiated solution to the oldest armed conflict in Guatemala.

Former Official To Finance Rios Montt Candidacy

PA1807181890 Guatemala City EL GRAFICO in Spanish 17 Jul 90 p 4

[Text] The Mutual Support Group, GAM, has said that it was horrified to learn that Donaldo Alvarez Ruiz, who served as government minister during the administration of General Fernando Romeo Lucas Garcia, has reportedly returned to the country to finance the presidential candidacy of General Efrain Rios Montt.

In a communique, GAM asked that the former official be investigated, pointing out that Article 186, letter A, of the Republic of Guatemala's political constitution clearly bans Rios Montt from running for the Presidency.

Nicaragua

Daniel Ortega Speech on 19 July Revolution

PA2007012890 Managua Radio Sandino in Spanish 2254 GMT 19 Jul 90

[Speech by Daniel Ortega, former president and commander of the Sandinist National Liberation Front [FSLN], on the occasion of the 11th anniversary of the 19 July 1979 Sandinist revolution at Revolution Square in Managua—live]

[Text] Good afternoon. Last night the current Nicaraguan Government launched a campaign over the television so this square would be empty today. They invited the Nicaraguan people to spend their holiday at the beach. They urged the people not to attend today's ceremony at Revolution Square. They told the people they need not fear not attending the Revolution Square ceremony. Last night's television campaign has been unprecedented after 19 July 1979, and it reminded us of Somozist times. And here in Nicaragua, the people eradicated Somozism on 19 July 1979, and it is a good idea for those who conducted that campaign to be very clear on that.

Who wants Somozism in Nicaragua? [Crowd answers: "Nobody!"] Here in this square is the response to those gentlemen in the government who last night spent a long time trying to convince you not to meet in this square today to commemorate the 11th anniversary of the revolution.

And look at this coincidence. This square is filled with people and Sandinist seeds that will germinate, thanks to this rain that is showering us. These Sandinist seeds will represent the Sandinist Front with more strength and fortitude than the one shown by the people who the Sandinist Front gathered to overthrow the Somozist dictatorship on 19 July 1979.

This is a historical afternoon. It is exactly 1700. No one has left the square despite the rain. [Crowd shouts: "Not one step back!"] The rain has not stopped anyone from coming here today. Not one step back! The people led by the Sandinist Front decided not to take one step back on 19 July 1979. On that occasion we said: Not one step back! And the tyranny was overthrown. If we have democracy in Nicaragua, it is thanks to the people and to the FSLN. [applause] Now we have to defend the democracy we have conquered because there are people who want to put an end to democracy in Nicaragua, who want to reinstall Somozism in Nicaragua, who believe that the time is here for blowing off the heads of the Sandinists.

Those who think and act that way must be very careful because if heads are to roll, theirs will roll first. We are not a submissive or cowardly people. We have earned the

right to democracy, and we are not going to let extremist minorities in and out of the government act against democracy. We are not going to tolerate that. We will be in the frontline to defend the freedom we have achieved, as well as justice and democracy. The Sandinists will be there. During the first weeks of July there was a strike, a strike that paralyzed the entire country. Did the National Workers' Front [FNT] go on strike because they do not want to work? [Crowd shouts: "No!"] Do the people of Nicaragua go on strike because they do not want to work? [Crowd shouts: "No!"] The strike was carried out because the measures the government has been implementing are throwing the people into unemployment, and the workers have every right and the obligation to defend their jobs, and the FSLN has the right and the obligation to back the workers. [Crowd chants: "Not a step backwards!"]

If barricades were erected, it was to defend the workers' right to work and to defend the rights of the peasants to till the land that the government has tried to take from them through Decree 10-90. This is why the national strike was carried out. If we have democracy in Nicaragua, if we have a truly democratic regime, then we have to defend, first of all, the constitution, and the constitution makes it clear that the rights of the workers and the peasants cannot be hampered or impeded, so when an attempt was made, through Decree 10-90, to take land away from the peasants, then the peasants responded with a general strike in the countryside, and more than 35,000 peasants went on strike to defend the principle that the land belongs to those who till it.

The agricultural workers said not a step back, and not one single step back was taken in the countryside, and they were able to defend this achievement of the revolution.

The struggle, however, has not ended; it has not ended. The agreement signed by the government and the FNT will not end the struggle. The extremist sectors in the country have reacted right away to this agreement because they want to wipe out the people's achievements. The extremists who do not want to accept the agreement have immediately reacted. It is important....[chants and shouts interrupt him] It is important that the contents of the agreement be noted. The importance of the agreement signed by the government and the FNT is that workers cannot be fired because they participated in the strike. The minister who is acting arbitrarily and does not respect that part of the agreement should change his position and act responsibly. If not, he is provoking new conflicts after the one that just ended. A conflict that caused more than 100,000 workers, headed by the FNT, to go on strike.

We must also note that extremists have entrenched themselves in municipalities, in departmental municipalities, even in the Managua municipality itself. These extremists, these Somozists who have taken over municipal offices are firing large numbers of employees. First, nobody has the right to fire employees in such an arbitrary manner. An employee can be fired when he does not comply with his duties, is unruly, or does not work. But right now, the extremists are firing employees simply for political reasons. The extremist officials, Somozists, are trying to fire patriotic, Sandinist employees to replace them with people who used to be Somozist guards. This is not correct. This is not correct and workers cannot—as Comrade [name indistinct] just said—accept the arbitrary measures taken by these municipalities. The FSLN cannot applaud these unjust actions either.

We have to find work for all Nicaraguans. It is not a matter of creating unemployment. The government offered jobs and I cannot accept that now it is simply firing workers. Municipalities are local governments and, thus, cannot begin firing employees. In any case, jobs will have to be found for Nicaraguans who have been unemployed during these past years and for the Somozist guards or contras and those who have been released from jails. Jobs will also have to be found for the many peasants who today really want to find a job.

We have to be very clear about one thing. During the past strike, extremist and warmongering positions arose. These positions were promoted by some officials and National Opposition Union [UNO] sectors that believed that Nicaraguans want another war and that the time has come to arm former Somozist guards and contras to start a new war in the cities.

However, on this 11th anniversary we must say that Nicaraguans who voted for the FSLN as well as those who voted for the UNO did not vote for the UNO so that the war would continue. Instead they voted so that we could attain peace, because this is what all Nicaraguans are longing for. Therefore, we must take strong action to report, and to unmask those who want to bring war back to Nicaragua because Nicaraguan people are tired of war and Nicaraguan people want to work. This is why people have been forced to protest when they are left jobless, and when they are denied the right to work. Therefore, the position of the FNT has been fair and the position of the FSLN to support workers and to continue supporting workers in their current and future struggles has been consistent.

On 16 July we visited Esteli and Condega, which are zones that were severely affected by the war and the contras' activities. We talked to the very enthusiastic people of Esteli and Condega. We told them that it is important to add to the peasants' struggle all those peasants who, for one reason or another, were involved in counterrevolutionary activity. We also told them that it is important to include all those Nicaraguans who voted for the UNO because they thought everything was going to improve, but they are realizing that the situation is not improving and instead is worsening in the economic and social aspects. Although there is no war in the military aspect, the crisis is still affecting the country.

As we have said, it is of utmost importance to hold a dialogue so the opinion of workers is taken into consideration and so that an economic policy is not imposed that

attempts to reduce inflation by starving workers to death. Those kinds of economic measures are unacceptable for the Nicaraguan people, for those who voted for the FSLN, or for those who voted for the UNO. [Applause; crowd shouts: "Not a step back! Not a step back!"]

We must point out that when we visit a Managua neighborhood, for example when we visited Las Torres neighborhood and other Managua neighborhoods, when the bills arrive, when the water or electricity bills arrive, there is no difference in the bills of those who voted for the UNO and those who voted for the FSLN. Do they charge less to UNO followers and more to Sandinist followers? [Crowd shouts: "No!"] The water and electricity bills equally affect all citizens. Therefore, we have to make greater efforts so that the government respects the democratic framework we Nicaraguans have achieved after 50 years of struggle against the Somozist dictatorship and the imperialist rule. The struggle against the Somozist dictatorship and against the imperialist domination dates back more than 50 years.

The struggle against imperialist domination began on the very moment that Andres Castro [Sandinist hero] picked up the first rock to knock down the Yankee invaders. That struggle continued with Augusto Cesar Sandino, father of the revolution. Sandino bequeathed us a spirit of struggle and the FSLN's historic program. Sandino bequeathed us this red and black flag which we continue lifting firmly; this red and black flag with which Sandino faced the Yankees to defend Nicaragua's red and white flag [as heard]; this red and black flag that was hoisted in the barricades erected to defeat the Somozist dictatorship; this red and black flag that we continue lifting to defend democracy, the right to peace, justice, and freedom in Nicaragua. [applause] Where are those red and black flags? [Crowd answers: "Here!"] Where are the Sandinist people? [Crowd answers: "Here!"]

This 11th anniversary of the triumph of the Sandinist People's revolution during which we are confirming our commitment to Carlos Fonseca [Sandinist hero-]...[changes thought] and there is Carlos; here is Carlos among us. And there is Carlos' eternal flame, although the Somozists are trying to put it out. Carlos' eternal flame cannot be put out because it is inside us, in our hearts, spirits, and consciences. [applause] On this 11th anniversary of the triumph of the Sandinist People's revolution, we have to urge the government to respect the law, the Constitution, and the workers' rights. We also urge, call, and invite all Nicaraguans to participate in the first congress of the people, the first FSLN congress. [applause] We are beginning, inaugurating, and installing that congress in this very square today 19 July 1990. [applause] We are not inaugurating a congress behind closed doors. We are inaugurating it here with the people, facing the people, and among the people in order to become better acquainted with the Nicaraguan people's interests, which the FSLN has to defend.

All of us who are gathered here including those with and without emblems are interested, because Sandinists have their emblems in their hearts and consciences, in knowing what the people think. We want the people to participate in the assemblies. All those who want to express their views and criticism and wish to speak at the assemblies should do so. We want to hold a congress that is open to all the people. We even want the presence of those who voted for UNO. We want them to tell us the reason they did not vote for the FSLN and why they disagreed with the FSLN. We want everybody to attend our congress.

All the residents from Managua, Masaya, Granada, and all Nicaraguans should come to express their points of view.

Somebody wants to ask a question here. Somebody is asking about the strikebreakers. First, the strikebreakers are not responsible, but those who hire them are responsible because by doing so, they cause serious tension; they cause clashes that have resulted in several people being killed or wounded. If the government is interested in hiring the strikebreakers who are at the Enabus [National Bus Enterprise] terminal, let the government get them jobs. But not at the expense of the companeros who have worked hard at Enabus throughout these 10 years. [applause]

We have to find ways to communicate with the strikebreakers. We have to find ways to talk to them because... [changes thought] We have to look for ways to talk to the strikebreakers because they [words indistinct] rich, millionaire, or bourgeois. Are the strikebreakers bourgeois people? [Crowd shouts: "No!"]

They are poor people who are being used and manipulated. We want to tell them not to be foolish, stop being instruments of the government to attack their brothers. The Enabus workers are brothers of the strikebreakers, not of those who are paying them to murder the Enabus workers.

I was telling you that we were interested in having all the people participate in the FSLN Congress. We want the people to give their opinion. Why? So the FSLN will continue to be the largest and best political party. Today, we extend an invitation to all Nicaraguans to participate in the first congress of the people [corrects himself] of the FSLN.

We have to work hard; we have to criticize; we have to talk without extremism, sectarianism, or liberalism to defend the principles of the FSLN. We have to achieve greater participation by the people so that those who are here, as well as those who have gathered throughout the country to commemorate the 11th anniversary of the revolution, participate in the congress. Let us all contribute; let us talk; let us criticize in a constructive manner. Why? To show once more that the FSLN is the only democratic force of Nicaragua; the FSLN is the only political party; the FSLN is at the vanguard of the people. Ths FSLN knows how to talk to the people; it knows how to interpret the feelings and demands of the people for its program and its struggle.

Let us see. Who wants war? [Crowd shouts: "Nobody!"] Nobody wants war.

The war against unemployment. Should we wage war on unemployment? [Crowd shouts: "Yes!"] Should we wage war on unemployment or not? [Crowd shouts: "Yes!"] We are waging war on unemployment. We do not want the people to be unemployed. The war against infant mortality. We must wage war against it. We must wage a war so that health programs are not weakened. War against illiteracy, we have to wage war against it. The war against extremist positions... [crowd shouts interrupting]. We have the moral reserves to do it. We have political reserves to do it, which cannot be measured, because these people have been able to fight, to struggle, and to win.

We have fought for a free fatherland and to live. We know we are all Nicaraguans. We are men and women willing to defend this free fatherland or die.

We are here on this 11th anniversary of the triumph of the Sandinist people's revolution, here in the rain, under these refreshing waters that greet the 11th anniversary of this plaza. We have to recognize the contribution made by the female merchants of the Roberto Huembes market. They have decorated this stand with flowers. [applause]

In this historical plaza, where 11 years ago we celebrated the triumph of the Sandinist people's revolution, we are going to commit ourselves to Sandino, to Carlos Fonseca, to Camilo Ortega, to German Pomares, and to the heroes and martyrs of the fatherland because we are going to keep defending this free fatherland, which we achieved on 19 July 1979. [crowd cheering]

We are going to lift our fists, our banners, our consciences on this 11th anniversary to say that Sandino lives, lives, lives! Here are the mothers of the heroes and martyrs. Our respects, our admiration, and love for them.

Here are our comrades, who were disabled in the war. Our respect, our admiration, and our love for them. [applause] Here are the fighters ready to defend peace. Here are the people, always firm and looking forward. They are always moving forward, never back.

Not a single step back in the defense of the revolutionary achievements! Not a single step back in the defense of democracy! Not a single step back in the defense of peace! Not a single step back in the defense of national unity! Not a single step back in the defense of the red and black flag of the FSLN and of the blue and white flag of the fatherland!

Not a step back. Free fatherland...[Crowd shouts:"Or death!"] Long live the 11th anniversary of the triumph of the Sandinist people's revolution. Long live free Nicaragua! In Nicaragua there will always be a...[Crowd shouts: "19 July!"]. Sandino lives!

FNT Claims Dismissals of Workers Continue

PA1907142690 Managua BARRICADA in Spanish 18 Jul 90 pp 1, 5

[Text] Labor union sources have reported that 340 workers have been dismissed since the signing of the most recent agreements between the FNT [National Workers Front] and the UNO [National Opposition Union] government.

The 340 dismissals were registered in five state institutions: 117 workers were dismissed from the Managua mayorship; 87 were dismissed from INAA [Nicaraguan Aqueducts and Sewage Insittute]; 75 from Enabus [National Bus Enterprise]; 34 from the Culture Institute; and 26 from the Foreign Ministry. In addition, 135 foreign service employees are in the process of being dismissed.

Two employees were also dismissed from the Construction and Transportation Ministry, and a labor inspector was dismissed from the Labor Ministry.

On Monday, 16 July, INAA Director Roger Mendieta dismissed 34 employees, and the previous week he dismissed 53 other employees, including all the INAA delegates in Region 4.

The regional labor union reported that Francisco Delgado, new INAA delegate in Region 4, is giving the best jobs to all his relatives in that region, thus replacing all the employees who were dismissed.

Lazaro Ballesteros, leader of the INAA Labor Federation, said that Mendieta plans to dismiss not only workers who support Sandinism, but also those who claim to be "neutral."

Ballesteros added: "He is already fulfilling that goal by denying the existence of the Sandinist labor union and depriving it of its legal status and then conferring it on the pro-government labor union directed by Mendieta himself."

Between 16 and 17 July, 26 Foreign Ministry employees were dismissed because, according to Minister Enrique Dreyfus, "they were trusted employees," although the labor union alleges that those posts are specified in the Labor Code and not in the civil service law.

The dismissed employees include former Ambassador to Mexico Rita Delia Casco, Human Resources Director Indira Villa, Communications Director Mario Vega, Treasurer Norman Lacayo, and the rest were either teletypists or diplomatic couriers.

The Foreign Ministry labor union members met with Deputy Foreign Minister Ernesto Leal, but the latter said that he could not do anything for the dismissed employees.

Meanwhile, 75 Enabus employees who supported the recent strike were also dismissed, including drivers and administrative personnel.

Cristobal Garcia of the Transportation Labor Federation asserted that there is a list of 150 Enabus employees who will be dismissed, but that the FNT is negotiating with Minister Jaime Icabalceta for him to stop the arbitrary dismissals.

Labor inspector Jazmina Jimenez was dismissed from the Mitrab [Labor Ministry] because she responded to an attack by Jacinto Miranda, a CTN [Nicaraguan Workers Federation], who led a group of strikebreakers during the recent national strike.

It has been confirmed that 34 workers were dismissed from the Culture Institute "for no reason at all."

It has been reported that the name of Susana Guido Silva, director of the Human Resource Department of the INAA [Nicaraguan Aqueducts and Sewage Institute], was added to the list of people dismissed from the institution after working there for three years. However, her superiors resorted to Article 119 of the Labor Code.

Dismissed Workers Denounce Managua Mayor

PA2007041790 Managua Radio Sandino in Spanish 2200 GMT 19 Jul 90

[Communique issued by 140 employees dismissed by the Municipality of Managua, read by spokeswoman Reina Isabel Rodriguez Palacios at Revolution Square on the occasion of the 11th anniversary of the 19 July 1979 Sandinist Revolution in Managua—live]

[Text] We have gathered here to celebrate the 11th anniversary of the Sandinist people's revolution. In the midst of this happy moment all revolutionaries are experiencing today, the workers dismissed from their Managua Municipality and district jobs want to publicly denounce the reprisals that the Hitler-like, wretched, and Somozist mayor of Managua, Arnoldo Aleman, is implementing.

We have to report that 140 workers have been dismissed and that it is expected that in the next few hours there will be an almost absolute sweep of employees who will be replaced by people close to Aleman and his bootlickers.

His personal guard and paid scabs are planning to spill blood; they are planning to forcefully dislodge the workers who are demanding respect for the agreements signed between the National Workers' Front and the government.

They want to set up their own presidential house and ignore the president who was elected on 25 February 1990. They do not heed presidential orders, arguing that Aleman is almighty in his post in the municipal government.

Wretched Aleman is concerned with recovering all the assets confiscated by the revolution from the Somozists. He is also concerned with taxes and with dislodging poor people from small lots granted by the revolution.

Let community projects be developed and let us promote harmony in this sad nation that does not want war, but peace.

Today more than ever we call on all the workers, on the people of Managua, on all the people, to close ranks and to be ready to defend the achievements gained by the people over 11 years with their sweat and blood. For our heroes and martyrs: Not one step backward, not one step backward, not one step backward!

FNT Leader Blasts Government Economic Policies

PA2007040490 Managua Radio Sandino in Spanish 2230 GMT 19 Jul 90

[Statement by National Workers Front, FNT, leader Lucio Jimenez on the occasion of the 11th anniversary of the 19 July 1979 Sandinist Revolution at Revolution Square in Managua—live]

[Text] Not one step back! Not one step back! Not one step back! Comrades, comrade workers, brother Nicaraguans, the Nicaraguan workers greet this 19 July in a combative manner, struggling against the attempts to privatize the People's Ownership Sector [APP] and against the attempts to give the land to the landowners and the Somozists.

We are celebrating our 19 July by struggling for our labor stability and against the revengeful and economic policies that are placing our enterprises on the verge of bankruptcy. We are celebrating this 11th anniversary of the Sandinist revolution with our struggle to establish a social and economic policy that preserves the people's achievements and rights. For that reason, comrades, we are against the economic policy that completely eliminates all subsidies for the population.

We disagree with and are struggling against the policy with which this government rules this country in a de facto manner and against the people's interests and the Constitution. We are against that policy because it undermines the rights of thousands of retired people and war disabled who gave their blood and energy in the defense of the revolution. That is why we conducted a strike in May and in July. That is the reason why we are willing to raise our fists and use whatever forms of struggle are necessary to have 19 July celebrations today and next year and to make the triumph of the revolution eternal in Nicaragua.

For that reason, comrade workers, we urge you to defend the agreements signed with the government. We urge you to conduct a combative struggle to obtain the financial assistance that the productive sector needs. We call for a combative struggle in order to prevent more dismissals and to express solidarity with the mayorship workers throughout the country. We are calling for an especially strong, determined, firm, and populous struggle against Somozist Mayor Arnoldo Aleman, who is trying to take away the people's achievements. People of Managua, let us all struggle against Somozist Aleman in solidarity with the Managua mayorship workers. Let all Nicaraguans struggle to defend our achievements, because Nicaragua will always be [crowd answers with indistinct slogan]. Nicaragua will always be [crowd answers with indistinct

slogan]. Because Sandino lives [crowd answers with indistinct slogan]. Long live democracy! [crowd shouts: "Viva!"] Long live the Sandinist National Liberation Front! [crowd shouts: "Viva!"] Long live the FNT! [crowd shouts: "Viva!"]

Central Bank Announces New Cordoba Devaluation

PA1907155490 Managua Radio Sandino in Spanish 1200 GMT 19 Jul 90

[Text] The Central Bank of Nicaragua has announced that starting today the U.S. dollar will be bought and sold at 440,000 cordobas. This devaluation has caused an increase in the prices of fuel and fuel by-products.

As of today, a gallon of gasoline costs 814,000 cordobas, a gallon of diesel oil costs 484,000, and kerosene sells for 440,000. The new prices of cooking gas are: a 10-pound container, 585,200 cordobas; the 25-pound container, 1,475,200 cordobas; and the 100-pound container, 5,865,200 cordobas.

Panama

Official Attacks U.S. on Use of Documents

PA2007140690 Panama City LA PRENSA in Spanish 19 Jul 90

[Report by Zoila Rodriguez Jovane]

[Text] Eusebio Marchosky, magistrate of the Directorate for the Recovery of State Property (DRP), has accused U.S. Government officials of providing documents for the investigation of the Chismn case in order "to use" Panamanian authorities for the benefit of U.S. Government aims.

Marchosky said that his concern is not that the U.S. Government provides evidence for the case, but that it decides "who" should be investigated, because that is "intervention of the worst kind."

He said, "they are the foreigners in Panama, not us. Gringos are not to be trusted. They created the monster (Noriega), and they got rid of him because he misbehaved. However, nothing leads us to believe that they will not create another monster."

Marchosky said that Teresa Tapia de Chismn, better known by her alias "La Jefa," was used by Noriega during his last three years in power as a "carrier" [previous word in English] to transfer his funds so they would not be intercepted by U.S. intelligence.

He said that Teresa Tapia de Chismn kept track of the financial transactions through a computer, aided by her husband Eduardo Chismn. He is a U.S. citizen believed to have participated in the illegal cash movements.

According to the DRP, in three years the Chismn couple handled about $18 million of Panama Defense Forces funds "for their own benefit." The U.S. Government is interested in evidence throwing light on these fraudulent transactions.

According to Marchosky, Chismn should have reported his extra income to the Internal Revenue Service (IRS), well-known for the severe penalties it imposes on tax evasion.

U.S. Government officials want to pounce on Eduardo Chismn and tell him: "We will be good to you if you tell us about Noriega," Marchosky stated. U.S. officials gave us the documents to see if we can build a case against the Chismns because they want evidence against the former general, he added.

"We have to keep the gringos in line; if we do not, they will lead us to another dictatorship. They must not control us," he said.

Answering a question on measures that should be taken in this case, Marchosky noted that "besides complaining," it was important for all the people who supposedly backed the democratic movement and called for justice—civic, religious, labor, professional, and student organizations—to make sure that democracy and justice are implemented.

"We have achieved relative democracy and freedom, but provisions to secure these rights with justice are not being made. This means that we will gradually lose these rights because the government is not obeying the people's mandate," Marchosky stated.

Endara Explains 'Bomb' Incident at Presidency

PA1907140890 Panama City Radio KW Continente in Spanish 1311 GMT 19 Jul 90

[Telephone statement by President Guillermo Endara during "The Word" commentary program with Mayin Correa—live]

[Text] Mayin, I am calling you because evidently you are very upset over the rumors circulating near the Presidency. I also want to avail myself of this opportunity to correct a report by Homero Londono, who is a very good journalist. However, we must clarify any incomplete reports he may have received from some sectors close to the Presidency.

What happened is as follows: In the first place, the Presidency has been receiving bomb threats from the very first day we began to work here. We are constantly receiving death threats against all of us. We receive threats of bombs, attacks, and everything else. So receiving a threat here is nothing new. Even though we take these calls seriously, they do not stop us.

This is what took place today: Early this morning, when one of my guards went to the restroom, he noticed a package there. Naturally, he adopted the necessary measure, which is that of announcing there was a possible bomb in the restroom.

The employees of the Presidency were not allowed inside the building until the issue was cleared up. That is what apparently attracted the people's attention. The people observed that the employees were not allowed inside the Presidency. The package was withdrawn and taken to a nearby vacant building, where it was to be opened or detonated had it been a bomb.

As it turned out, it was a box containing articles that were being stolen from the Presidency. I am not going to say what these articles are, because we are investigating the theft. We do not want any theft of public property and we want to find out who is guilty of that theft.

There was no bomb. It was a case of goods stolen from the Presidency, and the articles were being hidden in the restroom. Heaven only knows when these articles were going to be taken out.

Therefore, Mayin, there is no bomb, and I am saying this for the sake of the tranquillity of those of us who are at the Presidency and the persons who are worried over this situation. There is no bomb. Therefore, when we received a direct call from Homero Londono, we told him not to worry, that there was nothing to fear at the Presidency.

Endara, Ford on Government Economic Program

PA1907151890 Panama City Circuito RPC Television in Spanish 1730 GMT 18 Jul 90

[Text] Guillermo Ford, second vice president and planning and economic policy minister, has stressed that the idea to liberalize the economy continues to hold true.

This morning, Ford was questioned by RPC reporters regarding the position adopted by the Association of Panamanian Industrialists [SIP], which flatly rejected the so-called Strategy for Development and Modernization of the Economy, after it considered that the economic program does not respond to the economic reality and development of Panama.

[Begin recording] [Ford] First, I have always respected the opinion of others. I will answer the concerns of the honorable SIP with all the necessary arguments in hand. It is important to emphasize the fact that we have held a series of meetings where we presented the economic program in order to receive input from all concerned groups.

I do not think it is the time to criticize the program. Instead, we should propose solutions because we definitely have to change the course of the economy.

[Reporter] Are you still considering the possibility of liberalizing the economy?

[Ford] Yes, definitely. This economic program needs some adjustments. We need more time to analyze the program in greater detail. We have been unable to sign the program into law because it will not be approved until it is fully discussed. I think we have to work toward the total liberalization of the economy without adversely affecting it. This is the most important thing. We should provide solutions and not just criticize for the sake of criticizing. I think the time of criticism has been buried along with Noriega. [end recording]

President Guillermo Endara Galimany today defended the government economic program against those who oppose it, including the SIP. Endara said that the government program is a democratic proposal. Endara commented on the program a few minutes ago in the presidential palace.

[Begin Endara recording] This is a democratic program. We are not living in the times of the dictatorship. Do not be afraid the government will impose its will on you. We, all Panamanians, were determined to have democracy and freedom prevail in Panama. Now many people take this for granted. Nobody in Panama worries about freedom and democracy. Now the Panamanian people are thinking about other issues, which is fair. They are now thinking about economic progress and unemployment.

When we presented this economic program we did not mean to impose our will on the people. We are not in the era of the dictatorship. We are living the era of democracy. This economic program is to be discussed in order to reach a national agreement on economic development. We have to devise a program that will be discussed with all groups. The fact that this plan will be discussed with all groups does not mean that it will be done and later undone.

We have to agree on a common goal. We have to agree on an economic program because Panama needs to have one. This economic program needs to be coherent and adequate to attain the desired goals. We are working for the well-being of all Panamanians. We are basically trying to get jobs for the jobless Panamanians.

The industrialists do not agree with the plan; let them voice their opinion on the issue like they are doing. If the corn producers disagree with the plan, let them say it. They have the right to speak out. We have already changed some things that had been included in the program. For instance, the program had not yet been completed when we decided to eliminate the five-percent sales tax on services. You can ask the minister of planning and economic policy and he will tell you that this was eliminated from the outset. It remained in the text of the program because it was printed that way. However, before you knew it, this article was eliminated.

This economic program is subject to criticism and modifications. It is a Panamanian program; it was prepared by the government. The economic program was not prepared by a foreigner. [end recording]

Arias, Endara, Ford Deny Nepotism in Government

PA1907173390 Panama City EL SIGLO in Spanish 19 Jul 90 p 7

[Report by Aneldo Arosemena and Rafael Rodriguez]

[Text] President Guillermo Endara and his Vice Presidents Ricardo Arias Calderon and Guillermo Ford have admitted that they have relatives holding high positions in public administration. Endara and Ford admitted the appointment of close relatives while Arias admitted "very distant" ones. The three dignataries denied that such appointments stem from the political vice of "nepotism."

Ford said, "I believe that nepotism exists when relatives become sinecures." He categorically stated that he is "very proud" of the fact that three close relatives of his are working in the government: one as the ambassador to Spain, another as Colon Free Zone general manager, and a nephew who is earning a monthly salary of $1,200 at the Customs Office.

"My brother, who is serving as ambassador to Spain, is a highly qualified individual who is even maintaining himself in Spain with his own resources because the government has not yet paid him," Second Vice President Ford said. As for the relative who is working at the Colon Free Zone, Ford said: "The Free Zone manager was born in Colon, has maintained a business in that province along with his father for over 35 years, and is competent and honest enough to hold that position."

For his part, First Vice President and Government Minister Arias, when questioned by EL SIGLO as he was leaving a meeting of the Christian Democratic Party bloc of legislators, assured us that no close relative of his within the fourth degree of consanguinity and third of affinity is holding a government position. This means, Arias added, that "no son, brother, uncle, nephew, brother-in-law, or cousin of mine is holding such a position."

Arias explained that some people surnamed Arias appointed to government positions are related to him, but they are "very distant" relatives. However, he added, they "have the right to participate in President Endara's government." Arias said: "As for close relatives, I challenge anyone to name which relative of mine within the fourth degree of consanguinity and second [as published] of affinity is receiving a salary from the government," Arias said.

President Endara said that it is an exaggeration to talk about government nepotism and cited the case of Vice President Arias who is being blamed for appointing all those surnamed Arias. Endara said that his uncle is working at the Social Security Fund [as director general], but he justified his uncle's appointment by saying that this institution is very important to him and that is why he appointed a relative there, because that is tantamount to his holding that position. Endara added that his uncle is a businessman recognized for having managed companies out of bankruptcy and to success.

Endara Installs Two Social Emergency Programs

PA1907184190 Panama City LA PRENSA in Spanish 19 Jul 90 p 1

[Report by Rigoberto Dumas Castillero]

[Text] The National Council of the Social Action Program (Program de Accion Social—PAS) and the Directorate of the Social Emergency Fund (Fondo de Emergencia Social—FES) were established yesterday to reinforce the self-help capabilities of low-income people.

These organizations were formally installed by President Guillermo Endara in the Yellow Room at the Palace of the Herons in the presence of top government, ecclesiastical, and private sector authorities.

Among PAS' objectives are tackling the country's social urgencies and creating jobs for the large number of unemployed.

The PAS National Council is headed by President Endara and is comprised of Presidency Minister Julio Harris, Planning Minister Guillermo Ford, Health Minister Jose Castillero, Housing Minister Raul Figueroa, Labor Minister Jorge Ruben Rosas, and Commerce Minister Juan Chevalier.

PAS Directorate members from the private sector are: Alberto Conte, Juan Gabriel Ameglio, Juan Jose Vallarino, Publio Vergara, and Guillermo Elias Quijano.

The national government established the PAS and FES with Executive Decree Number 146.

The FES Directorate is comprised of Guillermo Elias Quijano; Jose Luis Lacunza, auxiliary bishop of the Metropolitan Curia; Gabriel Zarak; and Pierre Leignadier. Its executive director is Moises Castillo.

One of the duties of the FES Directorate is to draft the annual plans, which this fund will develop, for approval by the PAS National Council headed by the president of the republic.

Both groups will work to expand and upgrade the social and economic infrastructure of low-income segments of the population and reinforce the capabilities of nongovernment organizations to promote socioeconomic development.

Colombians Said To Be Illegally Entering Darien

PA1907162090 Panama City City Circuito RPC Television in Spanish 2300 GMT 18 Jul 90

[Text] Camilo Brenes, chairman of the Public Force Commission of the Legislative Assembly, has charged that illegal aliens and guerrillas from Colombia are entering Darien Province. Brenes, who recently visited Darien Province, said the following:

[Begin Brenes recording] I accompanied Dr. Alfredo Elhers, who is the chairman of another commission, on a tour through Darien and San Blas. It was a most interesting tour.

In the first place, we detected certain situations that must be taken care of by the authorities very soon. There are many Colombians illegally entering the country, and criminal operations are taking place in the area. We even had a report on guerrillas crossing the Panamanian border. This is an urgent situation that must be controlled.

We were told that on Friday, 13 July, a group of approximately eight or 10 illegal aliens from Colombia—who looked highly suspicious—entered through El Real, Darien. The community is very afraid and urgently needs some protection. [end recording]

Meanwhile, the Public Force Commission has been holding several meetings to amend the laws that pertain to the Public Force.

[Begin Brenes recording] I do not believe there will be any significant changes. However, any proposed modifications we may make through our spokesmen in the Legislative Assembly will reflect the opinion of the Panamanian people.

We have prepared a draft reform that was withdrawn. However, we are prepared to reflect the people's opinion in the Constitutional amendments. [end recording]

Journalists Union Condemns Repressive Practices

PA1907181390 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Jul 90 pp 16, A-2

[Communique issued by the Panama Journalists Union in Panama City on 16 July]

[Text] The Panama Journalists Union would like to leave written evidence of its condemnation of the return of the repressive practices against journalists by occupation army soldiers and regime officials, who arrested journalist Miguel Antonio Bernal and lawyer Miguel Vanegas last weekend. It also condemns threats to raid the installations of the Journalists House [Casa del Periodista].

Our association demands a suspension of the harassment against those who dare to raise their voices to protest the chaotic and serious situation of the Panamanian people, as well as the increasing number of violations of the most basic human rights.

In condemning the unjustifiable and illegal arrest of journalist Bernal, whose rights were violated by the authorities in the past and who was handcuffed and held under arrest for six hours, we also demand that his radio announcer's license be returned to him if it is true that the current administration is really interested in the country's democracy.

We also inform national and international public opinion that reports have again emerged saying that the Technical Judicial Police [PTJ] are getting ready to raid the installations of the Panama Journalists Union because of meetings held by members of the Committee for the Recovery of our Sovereignty, by citizens who were stripped of their livelihood when they were massively dismissed from their jobs by the government, and by the relatives of the civilian and military victims of the genocidal invasion launched by the U.S. Army.

We have publicly pointed out that the leadership of the Panama Journalists Union has nothing to hide and that PTJ Director Leslie Loaiza may visit the offices of our secretary general and gather all the information he needs regarding the labor union and patriotic duties we are carrying out.

Aware as we are of the repressive practices of the past and the raids with which we are threatened by officials who carried out the same tasks in the past, we frankly express our fear that in carrying out such actions, some well-known practices may be used, such as that of introducing dangerous individuals in our association to have a pretext to justify the implementation of extreme measures against our leaders.

We also report that last week alleged intelligence officials of the occupation army were questioning the relatives of our secretary general, Euclides Fuentes Arroyo, regarding his car's license plate in a clear attempt to warn that he is the object of surveillance by the invading army. On the morning of 13 July, during a news conference held by the National Committee for the Defense of Human Rights (Conadehupa) at the Jose G. Carrillo Brux Auditorium of the Journalists House, alleged PTJ officials began writing down the license plate numbers of the vehicles parked outside the building.

And last, we want to inform citizens in general that we hold the repressive officials of the U.S. Government and of the cooperating regime responsible for any attack on the physical integrity of our leaders as well as on the installations of this association. We reiterate that the repressive and intimidatory actions will not stop the will of this people to recover their violated sovereignty and the absolute respect for the human rights of our fellow countrymen.

Panama Journalists Union.

16 July 1990

Argentina

UK Ambassador: No Menem-Thatcher Meeting Yet

PY1907182390 Buenos Aires DYN in Spanish 1420 GMT 19 Jul 90

[Text] Buenos Aires, 19 Jul (DYN)—Humphrey Maud, the new British ambassador to Argentina, has ruled out a possible meeting between President Carlos Menem and Prime Minister Margaret Thatcher. He stated that this eventual summit would first require "progress in bilateral relations."

Maud yesterday presented his credentials to Menem. He said that his government expects to reach an agreement with Argentina on fishing in the South Atlantic "as soon as possible." He noted that "it would be ideal" to reach it "before the next fishing season, in early 1991."

The ambassador yesterday talked with a group of journalists in his residence. He talked at length about British interest in the areas that will be promoted within the recently resumed formal bilateral relations.

Maud emphasized that trade will be the main point within these bilateral relations. He said that his country is interested in investing in the petroleum industry.

Maud remembered that the British Gas Company presented bids for more than $80 million on secondary petroleum areas, including the largest bid—which totalled $50 million—which was submitted for the Campo Canadon area.

The ambassador emphasized that if they are successful in the upcoming bids on central areas, the British Gas Company will share production with the YPF [Government Oil Deposits].

Maud expressed optimism about making progress on the fishing issue, one of the most thorny because of the "fishing zone under provisional administration" that was imposed by London in October 1986.

The ambassador emphasized that "an agreement on renewable resources and on a way to discourage excessive fishing in the adjacent zone is required."

Maud said: "The United Kingdom is interested in protecting fishing in the South Atlantic and, from my experience in economic diplomacy, I have always believed that mutual economic interest is an effective basis for agreement."

The ambassador continued: "In addition to the bilateral framework, the issue of fishing protection could perhaps include other interested countries." He pointed out, however, that before discussing any policies "this issue would have to be presented to the Argentine Congress," which must discuss a new fishing law.

Maud also voiced his opinion about the government's economic policy, stating that "President Menem's reforms will offer valuable opportunities for increased British exports to this country." He emphasized that "he has confidence that" Cavallo's mission to London, scheduled for November 1990, "will be very successful in increasing Argentine exports."

The diplomat ruled out the possibility that the United Kingdom would substantially reduce the human and material resources in the military garrison it maintains in the Malvinas.

Maud said that his country "keeps a minimum number of personnel there to guarantee my government's confidence in the islands' security." Asked about the reasons for such a need for confidence, he responded: "The 1982 episode."

Maud was then asked why Argentine families cannot visit the graves of the combatants killed in the Malvinas War. The ambassador said: "We are discussing this issue with our opposite numbers in the Argentine Foreign Relations Ministry."

Maud added: "The talks have been confidential, but I can tell you that it is only a matter of choosing the best means of transport."

The ambassador pointed out that the United Kingdom does not oppose Latin American integration nor President George Bush's proposal for the Americas because "in Europe we discovered that integration and free trade is a way to prosperity."

Maud spoke in perfect Spanish—although with a slight accent—to the journalists, disclosing that in his conversation with Menem, after presenting him his credentials, they also "talked about sports, about rugby, soccer, and tennis." Maud commented: "I expressed my wish to play tennis with him as I am also enthusiastic about it."

Remembering that this would be his last diplomatic assignment, Maud pointed out:"I hope to stay in Buenos Aires three years at least" as "unfortunately, the time for me to retire (from the foreign service) will be up within three and one-half years."

Montoneros Deny Request To Meet Todman

PY2007001490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2315 GMT 19 Jul 90

[Excerpts] Buenos Aires, 19 Jul (NA)—The Montoneros faction headed by Fernando Vaca Narvaja and Roberto Cirilo Perdia today denied that they had formulated a request to meet with U.S. Ambassador Terence Todman, as has been reported by a Buenos Aires morning newspaper. [passage omitted]

The first part of the report indicated that the Montoneros leaders had requested a meeting with the U.S. ambassador without giving any reasons. The report also indicated that this Montoneros faction had split with the Justicialist Party faction headed by Catamarca Province Governor Ramon Saadi.

Uruguay Invited To Join Common Market

PY1907191690 Buenos Aires BUENOS AIRES HERALD in English 19 Jul 90 p 5

[Text] (DYN-SHD [expansion unknown])—The Government yesterday planted a new initiative to promote a tighter Latin American common market when it openly invited Uruguay to join the integration drive revived last month with Brazil.

The offer to Uruguay is now likely to consolidate a series of trade agreements slated to be announced during President Carlos Menem's visit to Chile next month.

Foreign Minister Domingo Cavallo sent a letter to his Uruguayan counterpart Hector Gros Espiel in which he reassured the country that "in no way are you excluded from integration," adding that it was "welcome" to participate in the plan "as soon as you want."

Cavallo also reminded Gros Espiell that both countries had taken part in the initial drafting of integration accords under the agreement in 1980 to form the Latin American Integration Association (ALADI). "We must now fix an early time to put that integration idea into practice," Cavallo urged.

Although he promised that Uruguay would not be "left on the touchlines [as published]" either through accords made with Brazil or Chile, he gave no indication of the contents of the pact that Menem and Chilean President Patricio Aylwin will announce in August.

Minister Discusses Power System Privatization

PY1907193190 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1056 GMT 19 Jul 90

[Text] Buenos Aires, 19 Jul (NA)—Public Works and Services Minister Roberto Dromi has announced that SEGBA [Greater Buenos Aires Electrical Services] and other state power companies will be either partially or totally privatized, given that 70 percent of the Argentina power system has become inoperative.

The minister also reported that the Yacyreta and Salto Grande hydroelectric plants will also be privatized following consultations with the Paraguayan and Uruguayan Governments, respectively.

A committee made up of members from the Economy and Public Works and Services Ministries today started to study the privatization processes. The conclusions of this study will be sent to Congress.

Dromi did not rule out the possibility of privatizing the nuclear power plants, which means that practically the entire energy system will be privatized.

The minister said that these privatizations are "essential" given that nearly 70 percent of the national energy system has become inoperative.

He said that recently there have not been power outages as a result of the "industrial recession," adding that industrial reactivation "is essential for the expected productive resurgence."

Dromi said that the privatization of SEGBA and other energy companies is supported by the Light and Power Union, as recently expressed by its leader Oscar Lezcano.

The minister announced this after a meeting with President Menem. During this meeting they signed the decree awarding the sale of the Aerolineas Argentinas company and discussed new aspects of the government reform.

Train With Radioactive Material Derails

PY1907185890 Buenos Aires Domestic Service in Spanish 1600 GMT 19 Jul 90

[Relay from Santa Fe by Juan Domingo Demonte]

[Text] An unusual accident has occurred here, which has caught our immediate attention largely due to the effect it could have on health because radioactive material is involved.

According to information we gathered this morning and to a charge made by a radio listener, some cars of a train derailed near the northern town of San Justo, Santa Fe Province, specifically near the town of Rincon del Quebracho beyond the Salado River. The train was made up of 27 cars—20 of the cars were loaded with soybean and the rest carried radioactive material.

According to investigations conducted by our information service, the train came from Bolivia and was heading for the Buenos Aires city of Ensenada. The San Justo police have confirmed the report released by Radio Nacional from Santa Fe, and have said that the case was placed under the jurisdiction of the Santa Fe Federal Court. This morning we tried to communicate with Judge (La Fontana), who will hear the case, because the federal judge had no information. We also tried unsuccessfully to communicate with the traffic superintendent for Belgrano Railway, which was involved in the accident.

There is fear that the radioactive material has spread in the area of the accident, taking into account that police are guarding the sector. The police probably do not have the appropriate equipment for the situation.

[Begin recording] [First reporter] Do you have specific information on the type of radioactive material carried by the seven cars?

[Second reporter] The police could not give any information on the type of material.

[First reporter] It might be uranium, taking into account the fact that the train came from Bolivia. What is also

important is the fact that the material could have contaminated the soybeans. There must have been several hundred tons of soybeans considering that the train had 20 cars loaded with it.

[Second reporter] We have learned that this material has been transported on other occasions and that there was another accident near the town of Sauce Viejo, near Santa Fe Province. The field where the accident occurred was completely destroyed.

[First reporter] Can you tell us if the accident occurred very close to the northern town of San Justo, or in an isolated area?

[Second reporter] It occurred in an isolated area, not far from the city of San Justo.

[First reporter] We will try to contact the National Atomic Energy Commission to learn about what type of radioactive material was involved and what possible danger it might pose to people and food. [end recording]

Doctor Orders 'Complete Rest' for President

PY2007005290 Buenos Aires TELAM in Spanish 2306 GMT 19 Jul 90

[Text] Buenos Aires, 29 Jul (TELAM)—Government House reported today that President Carlos Menem is currently ill with a "cold that is slowly getting better," and his personal doctor has told him that he must get "complete rest" until 23 July.

In a communique, Presidential Spokesman Humberto Toledo states that Alejandro Tafeli, the president's personal doctor, has reported that he "left written instructions" for Menem "prescribing complete rest until 23 July, because he has a cold that is slowly getting better."

Bolivia

Government Hails Houston Declaration on Drugs

PY1907174690 Madrid EFE in Spanish 0438 GMT 18 Jul 90

[Text] La Paz, 18 Jul (EFE)—The Bolivian Government today expressed its support for the position recently taken on the fight against the drug trade by the world's seven most developed countries.

In light of the statement released by these countries, Bolivian President Jaime Paz Zamora sent a letter today to his U.S. counterpart, George Bush, to convey to him the Bolivian Government's satisfaction with the contents of the "Houston Declaration" signed by the Group of Seven on the fight against drugs.

In their declaration, the leaders of the United States, the FRG, France, Great Britain, Canada, Japan, and Italy expressed their decision to support the efforts of "those countries that are strongly committed to fighting the drug trade," especially Colombia, Peru, and Bolivia.

The declaration also stated that this support will be translated into economic and legal assistance and urged other developed countries to join the antidrug struggle.

In his letter, Paz Zamora stated that the position of the Group of Seven indicates that "a significant level of commitment to jointly undertake a head-on action against drug abuse and the drug trade has been achieved over a short period of time."

Gustavo Fernandez, minister of the Presidency and official government spokesman, has emphasized the fact that the summit declaration was based on the antinarcotics plan adopted in February in Cartagena de Indias (Colombia) by Bolivia, Colombia, Peru, and the United States.

Following Peru, Bolivia is considered to be the second largest world producer of coca leaves—the raw material for cocaine. Bolivian officials hope to eradicate 80 percent of the 62,000 hectares of coca crops existing in the country.

United Left Front Condemns U.S. Troop Presence

PY1907033490 La Paz La Red Panamericana in Spanish 0000 GMT 19 Jul 90

[Text] The United Left Front has termed the presence of U.S. troops in Bolivia as very serious, because these troops have no authorization to remain in our country.

Deputy Gregorio Lanza has stated that during this administration the national Congress has not approved the presence of U.S. troops in Bolivia to carry out military actions in the Riberalta region. He added that this represents an attack on our sovereignty, and that this situation must be investigated.

Brazil

Economy Minister Cardoso Reports on Rome Visit

PY2007231390 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 19 Jul 90

[Text] Economy Minister Zelia Cardoso de Mello will return to Brazil tomorrow, after a 5-day visit to Europe. Today in Rome, the minister met with Italian businessmen and had lunch with Italian Treasury Minister Guido Carli. Minister Cardoso is currently holding a news conference with Italian journalists about the Brazilian economic plan and the results of her trip.

[Begin Cardoso de Mello recording] The result is very positive. We have received expressions of support from all the governments, especially for our economic plan. This is important because it means these countries will support us during the foreign debt negotiations, mainly with the IMF. Without doubt this was an important achievement during this trip. Another important issue is the opening of foreign investments channels toward our privatization programs and our whole economic growth

process, and finally, we have found common ground for holding negotiations within the GATT. [end recording]

Details of 2-Seat AMX Fighter-Bomber Reported

PY1907151090 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Jul 90 p 11

[Report by Roberto Godoy]

[Text] Brazilian Aeronautics Company (Embraer) hangar F-107, in Sao Jose Dos Campos, keeps the secret of the future national fighter, which is designed to launch Exocet-type missiles, carry out electronic warfare, and conduct sophisticated military operations in any type of weather. However, this amazing combat unit is an old friend of Embraer; it is a two-seat version of the AMX fighter-bomber that is built jointly by Brazil and Italy. This subsonic aircraft, equipped with 30 computers and capable of flying at more than 1,000 km per hour at a height of only 50 meters, is an efficient vehicle for launching bombs, rockets, and smart bombs [armas inteligentes] behind enemy lines.

The two-seat version was originally designed for training purposes. However, while still preserving the operational characteristics of the single-seat model, it became a good alternative for long-range air-to-surface attack operations with French-made Exocet-type missiles, which became famous in 1982 during the war over the Falklands/Malvinas when an Exocet launched by an Argentine Navy Super-Etendard jet sunk the British frigate Sheffield. An engineer involved in the program development maintains that "the AMX may currently be regarded as an even better platform than the French aircraft." The first two-seat Italian aircraft was tested in March. The first one built for the FAB [Brazilian Air Force] will be tested in November and will be delivered to the 1st Fighter Squad's air base in Santa Cruz in February 1991. However, it is already on the production line at EMBRAER's high security industrial plant.

The two-seat version is more elegant than the standard model, with an elongated, higher canopy [preceding word in English]. Other differences are: It is 300 kilos heavier and carries 20 percent less fuel—a restriction that can be solved with the use of large external tanks or in-flight refueling. Photographic reconnaissance equipment has also been left out. Its operational profile has remained untouched: It can transport up to 3,800 kg of explosives in a double compartment under the fuselage, with four under-wing pylons and two pods for air-to-air missiles, with a range of approximately 2,000 km.

The FAB will have 79 one-seat and 14 two-seat AMX fighters. The Italian partners will receive 238 of the one-seat version and 54 of the two-seat version. Due to the budget cut Brazil will only receive eight AMX fighters this year.

Official Reports Trade Balance Figures

PY1907161690 Rio de Janeiro O GLOBO in Portuguese 18 Jul 90 p 21

[Summary] Mauricio Souza Assis, Foreign Trade Department trade exchange coordinator, reported that the trade balance surplus for June was $1.17 billion, 32.1 percent less than in May. He also reported that exports totaled $14.8 billion in the first half of 1990, which represents an 11.7 percent drop compared with 1989.

Chile

Aylwin Swears In Minister, Speaks on Economy

PY1907234590 Santiago Radio Chilena Network in Spanish 1700 GMT 19 Jul 90

[Text] Planning and Cooperation Minister Sergio Molino has said that this year the government will allot an additional 60 billion pesos for social programs. He made this announcement during the ceremony in which he was sworn in as head of this new ministry.

On this occasion President Patricio Aylwin proclaimed the law creating the Planning and Coordination Ministry [Ministerio de Planificacion y Coordinacion]. This new ministry replaces the Odeplan [National Planning Office].

Molino said that the additional 60 billion pesos will be used to improve education, health, and housing services.

[Begin Molino recording] These measures will take a while to become effective for several reasons. First, because they had to be financed by the tax reform which, although it was quickly approved in Congress, only began collecting funds as of 1 June. Second, this administration, which is just beginning after an authoritarian regime that remained in power for more than 16 years, (?has been a bit slow) in modifying the policies especially if we consider the inherited legal and administrative restrictions. [end recording]

Molino said that the total funds for social investments for 1990 will amount to 116 billion pesos.

President Aylwin reiterated during the ceremony that Chile has chosen a free and open market economy.

[Begin Aylwin recording] Some people seem to think that this means that the government will be giving up its function of organizational guidance for the common wellbeing of the people. I do not see it this way. My government believes that a free economic system is not just compatible, it also demands—especially in developing countries—guiding, coordinating, and sponsoring action by the government. [end recording]

Aylwin stressed that the market generates resources but that the state must set the guidelines on the priorities.

There are needs, especially in the social field, which are not met simply with the application of the market rules, the president said.

Aylwin said that the new Planning and Coordination Ministry will play an essential role in the struggle against poverty and will set the guidelines in the national decentralization process.

Congress To Investigate Alleged 1973 Executions

PY1907160290 Madrid EFE in Spanish 0542 GMT 19 Jul 90

[Text] Santiago, 18 Jul (EFE)—The Chamber of Deputies today approved a motion to carry out its own investigation into the fate of 30 people who were detained at La Moneda Palace on 11 September 1973 and who were allegedly executed.

The detainees were members of the socialist government led by Salvador Allende, who died during a coup ousting him. The coup placed General Augusto Pinochet in power for nearly 17 years.

The Chilean news agency, ORBE [Agencia Informativa Orbe Chilena,S.A.] reported that the Chamber of Deputies has entrusted the Human Rights Committee of Congress to investigate the facts and listen to all denouncements connected with the detention and alleged execution of the people who accompanied Allende on that 11 September day.

Deputy Vicente Sota, from the Party for Democracy (PPD), said that all of those people were detained at La Moneda Palace and transferred to a military camp in Peldehue, 30 km north of Santiago, where they were allegedly executed.

Among them were Jaime Barrios, Central Bank president during Allende's administration, and Arsenio Poupin, economic under secretary at the time.

Sota, who was also held at the Peldehue military camp, highlighted the National Renewal Party's support for an investigation into the events that took place at La Moneda Palace, since it is a party identified with the military regime.

* Police Forces' Intelligence Function Questioned

90SM0156A Santiago EL MERCURIO in Spanish 10 Jun 90 pp 2-a

[Editorial by Senator Ignacio Perez Walker]

[Text] If we take a look around the world of the last few decades, we can see what terrorist methods have been used by totalitarian governments and by religious fanatics, by drug traffickers and by various and sundry political extremists and separatists.

But if terrorism is defined by its motivations, in our country today I think it is correct to identify terrorism with a political motivation.

The vast majority of extremist attacks that have been reported in this country have been attributed to or claimed by extremist political groups.

Terrorism is being fought on a variety of fronts. One is through the mass media. We must realize that terrorism needs public opinion. And this is not just because that is how it instills fear, but also because it needs public opinion to create a mentality that is willing to justify the terrorists' motivations somehow. The terrorist wants to prove that the institutions are no good, that the justice system is unjust. And in that regard a certain caustic criticism of the judiciary, for example, has become an accomplice of terrorist action, as was recently made clear in some on-the-street interviews that were shown on television.

Another major front that must be strengthened is the legislative one, by means of sound antiterrorism legislation that not only clearly defines the crimes but also sets forth appropriate penalties.

But the most important front of all is societal confrontation of extremism through the state and its agencies or institutions, including intelligence as well as security and police. Here lies the essence of the problem.

Statements issued by the Interior Ministry suggest that there is some confusion between intelligence and security and police measures.

As has been stated before, terrorism, unlike other diseases, is an intelligent virus. It hides, it slithers away, it seizes opportunities, it insinuates itself into the entire fabric of society.

To try to defeat terrorism without using intelligence as an effective method is to turn a blind eye to a reality one does not want to face.

Force without intelligence is blind. It acts without knowing whether it is hitting or missing its target. An intelligence agency is different from a security or police agency, and they should not be placed in the same institution.

On this point, it is imperative that we discard any prejudice that would cloud the prism through which this situation must be observed. Intelligence agencies, objectively and scientifically, are the only agencies capable of defeating terrorism, as attested by the recent history of countries that have been successful in this area.

Intelligence is useful knowledge, or "advance knowledge," that allows the government to correctly evaluate the variables contained in any situation, and consequently, to adopt the appropriate measures.

From a more technical perspective, intelligence is a system based on a high degree of specialization among analysts and agents, who draw strong support from ad hoc technology. It seeks information to provide to political authorities. Intelligence does not act, it does not

execute, it does not make political decisions. Such decisions fall within the purview of the Interior Ministry and the government.

It appears that no country in the world has a police institution that also carries out intelligence tasks. I do not mean by this that police or security agencies or even the armed forces cannot or perhaps should not have an intelligence department. What we are talking about is "higher intelligence," which among other things coordinates the others in certain political aspects, or rather receives elements of analysis from them. But it has an unequivocal responsibility, as "the brain," to wage the struggle against terrorism.

The government, through the cabinet chief, has said that no new security agencies will be formed. It has indicated that Carabineros and Investigations will take over intelligence tasks. This is where officials appear to have confused intelligence with security. Albeit unintentionally, they have fallen into the same "vice" that the Coalition accused the military regime of suffering from in the battle against terrorism. Indeed—and I am not trying to pass moral judgment on this matter—the mistake made by the National Information Center (CNI) and by its predecessor the National Intelligence Directorate (DINA)—although their respective statutes may have said otherwise—was that they combined intelligence and security tasks in the same institution.

In any country in the world, agencies of this nature are more vulnerable than others to excess or to corruption. They are especially vulnerable if they are exclusively responsible for all antiterrorism efforts.

This appears to be an opportune time to draw on the valuable and successful experience of other countries, such as Italy, Spain, France, and Germany, in their respective struggles against subversive movements.

It does not seem advisable to assign intelligence tasks to Carabineros and Investigations. It is, however, necessary to put these institutions in charge of security measures.

We must think ahead, in my personal opinion, and contemplate the formation of a higher-level intelligence agency made up of civilians, retired military officers, or officers on active duty who are on "temporary detachment for duty." We must also think about an independent intelligence academy to train future professionals.

The final question to be resolved is where this intelligence agency would fit within the hierarchy. And here come the prejudices again; some people have memories of the recent past, others recall the old political police. It must be explained to everyone that this is a different entity, different from anything that has ever existed at any time in Chile's history, similar to what exists in the countries that have been successful in their battle against terrorism. This agency will have to be well regulated, first of all by a law. Second, its "product" must serve the government, particularly the Interior Ministry, which has political and practical responsibility for maintaining order and security in the country. Third, and this must be given serious thought, it appears appropriate to place this agency under the National Security Council in organic or institutional terms (for ethical and regulatory supervision), given the institutional structures set forth by the Political Constitution of the State.

One final word: Chile may face an unavoidable challenge in the near future—democracy or violence. There is no democracy without liberty, and there is no liberty when fear has taken over a country. The experience of so many emerging democracies that have had to sacrifice too many lives because they did not understand terrorism and did not confront it forcefully enough, should give us pause. This applies particularly to the entity that has primary responsibility for order and personal safety: the government.

Colombia

9 Heads of State Confirm Inauguration Attendance

PA1907202190 Madrid EFE in Spanish 0630 GMT 19 Jul 90

[Text] Bogota, 19 Jul (EFE)—Nine American and European heads of state have confirmed their attendance on 7 August at the ceremony during which President Virgilio Barco will transfer power to President-elect Cesar Gaviria in Colombia, an occasion which will become an Ibero-American summit.

Colombian Foreign Ministry sources in Bogota confirmed that Gaviria's inaugural will be attended by Argentine President Carlos Menem, Bolivian President Jaime Paz Zamora, Ecuadoran President Rodrigo Borja, Mexican President Carlos Salinas de Gortari, Peru's Alberto Fujimori, Uruguayan President Luis Alberto Lacalle, Venezuelan President Carlos Andres Perez and Spanish Prime Minister Felipe Gonzalez.

In addition, Cuban President Fidel Castro will travel to Bogota for the occasion after 42 years of not visiting Bogota, where he attended the Pan-American Conference as a student in 1948. At the time, Castro witnessed the wave of violence that was triggered in Colombia by the assassination of Liberal Party leader Jorge Eliecer Gaitan on 9 April 1948, known as the Bogotazo.

Furthermore, Colombian Foreign Ministry officials have been in contact with the U.S. Embassy in Bogota to coordinate U.S. Vice President Dan Quayle's probable attendance at the ceremony on behalf of President George Bush.

Advisers to President-elect Cesar Gaviria said the visit by Chilean President Patricio Aylwin and Brazilian President Fernando Collor de Melo are still pending confirmation.

President-Elect Cancels Trips to Mexico, Peru

PA1907164790 Paris AFP in Spanish 1506 GMT 19 Jul 90

[Text] Bogota, 19 Jul (AFP)—President-elect Cesar Gaviria announced today that, on doctor's orders, he has canceled his trips to Mexico and Peru scheduled for this weekend and 28 July, respectively.

Gaviria, who will assume the presidency on 7 August, is 43 years old. He is recovering from an injury to his left ankle, sustained while playing tennis in Miami.

Gaviria's personal physician has prescribed absolute rest for him because he is suffering from edema and also feeling acute pains in his leg due to his strenuous activity.

Gaviria was scheduled to meet with Mexican President Carlos Salinas on 22 July, and was looking forward to going to Lima to attend Alberto Fujimori's inauguration as new president of Peru.

Swiss Police Report Plot Against Ambassador

PA2007013890 Paris AFP in Spanish 2253 GMT 19 Jul 90

[Text] Bogota, 19 Jul (AFP)—It was reported here today that the Swiss police have informed the Colombian Government of an international plan to assassinate Enrique Parejo Gonzalez, former justice minister and current Colombian ambassador to Czechoslovakia.

The Foreign Ministry has been notified of the plot hatched in Colombia and scheduled for implementation this month or August at the latest.

According to the information given to the Colombian Government, the Swiss police have a composite sketch of a Colombian involved in the plot, but he has yet to be identified.

The composite sketch has been sent to the Colombian secret police.

It was revealed that Ambassador Parejo Gonzalez has already been informed of the plot. Parejo Gonzalez survived the attack he suffered in January 1987 when an individual opened fire on him when he was ambassador in Budapest, Hungary.

In view of the danger to the ambassador's life, the Colombian Government has asked the Czechoslovak Government to reinforce security around Parejo Gonzalez.

Parejo Gonzalez was justice minister during the previous administration of conservative Belisario Betancur. As justice minister, he launched a firm campaign against drug trafficking and he ordered the extradition of several Colombians to the United States after the assassination of his predecessor, Rodrigo Lara Bonilla in 1984.

Army Captures Medellin Cartel Press Chief

PA1907173090 Paris AFP in Spanish 1420 GMT 19 Jul 90

[Text] Medellin, Colombia, 19 Jul (AFP)—Yesterday troops from the Army's 4th Brigade captured Edgar Roberto Escobar Taborda, alias "El Poeta," press chief of the Medellin Cartel and also considered the biographer of cartel boss Pablo Escobar Gaviria.

Escobar Taborda is reportedly the author of a manuscript seized by the police during an operation carried out earlier this month in the Middle Magdalena jungle. Although Pablo Escobar Gaviria escaped, the police captured 21 persons during this operation.

The Army seized from "El Poeta" a fax machine which he used to send communiques from the clandestine group the Extraditables to the Colombia media.

The police did not specify the location of the capture of "El Poeta," who is not a relative of the mafia chief.

* Application of Pardon Law Reviewed

90SM0157B Bogota EL ESPECTADOR in Spanish 18 Jun 90 pp 1-a, 10-a

[Article by Aura Rosa Triana]

[Text] Last year, when in spite of the administration's fierce opposition, Congress included in the pardon law a paragraph allowing nonmembers of rebel organizations offering to rejoin civilian life, the possibility of requesting pardons, expectations arose as to what would happen when the law was enforced.

There was good reason for such expectations. The administration had asked Congress for a law applicable only to members of guerrilla groups that had demobilized and disarmed under the terms of its peace policy.

The controversial paragraph ran counter to its intentions. For example, it encouraged members of guerrilla groups that have not signed disarmament accords to request benefits. Moreover, it was feared that common criminals, such as drug traffickers or members of paramilitary groups, would try to secure pardons.

Now that the law has been in force for six months, we can say that the administration has gotten its way.

The presidential adviser on peace, Rafael Pardo, puts it thus: "It has been applied to members of the M-19. The administration has handled the matter of whether those requesting benefits belong to the M-19. The procedures have been handled very well in achieving the objective that the administration and Congress sought to embody in the law: to grant these benefits to members of guerrilla groups that would demobilize and lay down their arms under the terms of the peace policy."

Case of Convicted Felons

Law 77 of 1989 provides for three benefits: a government pardon for convicted felons; discontinuance of action against defendants, and writs of prohibition for guerrillas indicted after the law was issued for crimes they committed before it was.

The first benefit (which is the subject of this article) is the responsibility of the administration, which grants pardons in resolutions signed by the president and the ministers of the interior and of justice.

A review of the cases that have been decided enables us to draw several conclusions:

- Although it remained in the law and was even regulated by Decree 206 of this year, which elaborated on it, the administration refrained from enforcing the paragraph under which individuals not belonging to a rebel organization could be pardoned if they so requested and wanted to rejoin civilian life.
- Only members of the M-19 have been beneficiaries. There are two ways to prove membership in the group: the petitioner must be on a list submitted by the M-19 itself (a list that has been extended four times), or the presiding judge must establish that he or she belonged to the group.
- Pardons have also been denied M-19 members, however. There have been two main reasons. The crime was homicide, and the guilty verdict noted that it had been committed outside combat (a situation excluded by Law 77). Or neither the judge nor the administration found enough of a link between a common crime and a political crime to grant the benefit.
- According to administration reports, all of the requests from members of other groups, such as the FARC [Revolutionary Armed Forces of Colombia] or the ELN [Army of National Liberation], have been denied, whether or not they were political crimes and even if the petitioner stated under oath that he intended to demobilize.
- Several requests were denied because the petitioner was not on the M-19's lists and, according to the Defense Ministry or security agencies, was not on file as a member of any guerrilla group.

Number of Pardons

It is difficult to determine exactly how many pardons the government has granted. The explanation of the low number is that the scope of the law is restricted (in practice only the M-19 could benefit), all the more so since the administration refused to apply the broadest paragraph.

The Ministry of Justice reported that the administration has granted pardons to nine convicted individuals, all from the M-19; has denied the requests of eight others from the same group, and is studying eight more. Additional documentation is awaited from 11. Seventeen additional requests have been received in recent days.

The above numbers refer not to individuals but to cases that have been decided, in several of which more than one person was convicted. Therefore, the number of affected parties is greater.

There was one unusual development in connection with administration intervention. Several individuals who applied to the administration for pardons had not had their sentences executed (in other words, appeals were pending). The administration has refrained from ruling on these cases (23 so far), regarding them as cases still being heard, and has sent them back so that proceedings can be discontinued.

The administration has denied 17 petitions from individuals not belonging to the M-19. The reason in most cases was that the petitioners were from groups that have not disarmed under the terms of the peace policy. Other times, the convicted individual was not a member of any guerrilla group (according to security agencies and the Defense Ministry), and in a few instances, according to the courts, homicides out of combat were involved, and they are excluded in Law 77.

The number of cases submitted to the government (some 70 so far) will probably not increase much when the final count is taken, because under Law 77 requests must be filed within six months after the law was issued, and that deadline expires this Friday. The administration then has two more months to rule on the requests but cannot accept new ones.

* Changes in Export Controls Spark Concern

90SM0157A Bogota EL TIEMPO in Spanish
13 Jun 90 p 8-a

[Excerpt] The competition for the management and control of exports has prompted some disagreements among members of the administration's economic team, especially between officials of National Customs and the Colombian Foreign Trade Institute (Incomex).

Last 31 May the Executive Branch issued Decree 1144, which abolished the prior export license, thus putting Customs in control of merchandise leaving the country. Incomex had been in charge of these licenses.

During the discussion of the first draft of the decree, the director of Incomex, Arturo Sarabia Better, strongly opposed transferring to Customs the power to authorize the shipment of merchandise overseas.

The text of the decree was amended several times to heed Sarabia's suggestions, but substantive jurisdiction in handling merchandise exports was shifted to Customs.

The draft that was ultimately approved by the Board of Directors of Foreign Trade had the support of the finance minister, Luis Fernando Alarcon Mantilla, with whom Sarabia has had frequent run-ins.

The positions of the Customs director and the director of Incomex are openly at odds on how merchandise exports ought to be handled.

While the former feels that a 180-degree change has been made in how the government manages this economic activity, the latter says that Customs does not have the capacity to fulfill the government's wishes in this sphere.

Yesterday, after the meeting of the Board of Directors of Foreign Trade, Sarabia said that he has had differences of opinion with the Customs director and with the finance minister but that these are to be expected in these sorts of discussions.

Nevertheless, he vigorously opposed transferring to Customs the functions that were taken away from Incomex.

"What worries us," he said, "and we've said so in various forums inside and outside government, is the timing of certain institutional adjustments.

"We feel that Customs, in spite of the enthusiasm and competence of its director, is far from being the agency that the country requires for comprehensive management, and therefore it needs to receive more funding before it is given greater powers."

He is even more critical of Customs' ability to achieve positive results in modernizing and internationalizing our economy.

On this topic Sarabia said: "I think that I have a duty to call attention to this point (giving it more functions), because what is at stake is the success of the policy of opening up our economy, whose Achilles' heel could be Customs, if we lose our perspective."

There is another major reason for their differences of opinion. Sarabia had been the main negotiator in the Andean Group and was then relegated to a secondary position.

He explained, however, that in this case high level administration members were not engaging in a reprisal and that the change was an ad hoc one, because what is now being negotiated is industry.

Therefore, a person with closer ties to this sector was appointed.

There is another coincidence, however. The controversial Decree 1144 was issued in his absence. Sarabia justified this move by noting that he was involved at the time in the GATT negotiations in Geneva.

The frictions among officials on the economic team manifested themselves four months ago when the process of opening up the economy began. The Customs director has often stated that the current export system is full of red tape. [passage omitted]

Ecuador

Borja Appoints New Monetary Board President

PA2007034690 Madrid EFE in Spanish 0125 GMT 20 Jul 90

[Text] Quito, 19 Jul (EFE)—President Rodrigo Borja reorganized his cabinet today with the appointment of Andres Vallejo, government and justice (interior) minister, as president of the Monetary Board, which is the government agency that handles the country's economic policy.

Presidency Spokesperson Rodrigo Rangles reported today that Cesar Verduga, labor and human resources minister and also former executive secretary of the Latin American Human Rights Association (ALDHU), was appointed the new government minister. Rangles said that no replacement for Labor Minister Verduga has been appointed yet.

Vallejo replaces Abelardo Pachano, who had taken office in August 1988. Pachano headed the government team that is currently negotiating the country's commercial foreign debt with private banks.

Paraguay

Unemployment, Underemployment Rates 14 Percent

PY1807154090 Asuncion HOY in Spanish 18 Jul 90 p 15

[All figures as published]

[Summary] Ubaldo Scavone, industry under secretary for the Industry and Commerce Ministry, has reported that the current open unemployment rate [desempleo abierto], which covers all Paraguayans older than 12 years of age openly seeking a job, is 6.1 percent. He said that the apparent underemployement rate—which includes all those people who earn a minimum salary, like street vendors, domestic servants, part-time workers, and teachers—totals another 6.1 percent. Scavone added that the real underemployment rate, which includes qualified workers who are working at jobs unsuitable to their training, is two percent. Adding these figures, the unemployment rate among the active Paraguayan population is 14 percent.

Peru

Hurtado Discusses New Cabinet, Economic Plan

PY1907233090 Lima Television Peruana in Spanish 1922 GMT 19 Jul 90

[News conference with President-elect Alberto Fujimori and Prime Minister-designate Juan Carlos Hurtado Miller with unidentified reporters from the Financial Development Corporation building in Lima—live; broadcast in progress]

[Text] [Fujimori] ...are the principles Change 90 has embraced and will defend. I would like to repeat that this is not a small, shut-in party. We want to organize a movement that will include the best minds in the country, and Engineer Juan Carlos Hurtado Miller has been entrusted with this task. We are certain that the principles of moralization, discipline in the country, pacification, reorganization, and readjusting and restructuring the economy—and the consequent stabilization and growth of our fatherland—will be achieved with this harmonious, consistent, capable, and honest group. I must add that this team gathers the best professionals in the country in their respective fields. Engineer Hurtado Miller will now give you further details on each of these professionals. Thank you.

[Hurtado] This is my first meeting with national reporters. I want to say, in this very first meeting with you, that as of 28 July contacts with the press will be permanent. The people will be informed on a weekly basis after the meeting of the council of ministers and after each meeting with the president. We want the people to be the main overseers of our actions.

The people who voted for the victory of Engineer Fujimori and those who did not vote for him have the same right to ask the president-elect to fulfill his electoral promises and to deal with the problems affecting the country.

Within the development plan designed by Engineer Fujimori and taking into account the basic principles that will regulate his task and the exercise of the mandate entrusted to him by the people to moralize, pacify, and organize every sector of the country, we have formed a cabinet. Unfortunately, three ministries are still incomplete, because the people we have contacted are abroad. We want them back in the country before we designate them in order to hold final talks on the common strategy to be adopted by all sectors, especially the strategies that will be adopted by their respective ministries.

Here is the list of designated ministers:

The Economy and Finance Ministry will be headed by me, as the president-elect has already announced.

The Foreign Ministry will be headed by Luis Marchand Stens, whom, as you all know, is a career man and a person of great prestige in the foreign relations field;

The Energy and Mines Ministry will be headed by Fernando Sanchez Albavera, who will hold a seat in the Chamber of Deputies until 28 July, when he will take over this ministry, which plays such an important role in the country's development.

The Agriculture Ministry will be headed by Carlos Amat de Leon, who is not only an agronomist and economist but has also spent many years studying the national nutrition problem, which will be one of the pillars of our future development program, on which I will later brief you.

The Health Ministry will be headed by Dr. Carlos Vidal Layseca, a Peruvian professional currently working for the Pan-American Health Office in Washington, which represents the World Health Organization. We hope that, with his experience, he will work with the professional dedication he has demonstrated throughout his career and that he will get involved in the national nutrition program to aid in developing the social assistance program we need to implement to counterbalance our economic stabilization program.

The Transportation and Communications Ministry will be headed by Eduardo Toledo Gonzalez, a computer and communications expert.

The Interior Ministry will be headed by Army General Adolfo Alvarado Fournier.

The Defense Ministry will be headed by Army General Jorge Torres Aciego.

The Education Ministry, which is such an important aspect of the country, will be headed by Gloria Helfers Palacio, a woman with great experience.

The Fisheries Ministry will be headed by Navy Admiral Raul Sanchez Sotomayor, retired.

The Housing Ministry will be headed by Engineer Guillermo del Solar Rojas, a university professor with 30 years of experience in this field.

The Industry, Justice, and Labor Ministries are still pending. The prospective industry and justice ministers are people who are currently abroad and whom we have already contacted. Please excuse me for not mentioning their names until they return next week and we have adjusted some final aspects in the overall work program.

As for the Labor Ministry, and in pursuit of the national reconciliation principle, the president-elect has asked me to negotiate, to reach agreements, and to seek a rapprochement with the representative labor unions in order to select a group of people to take care of this ministry. We do not want to put the Labor Ministry in the hands of a minister-type person—a distinguished person with typical characteristics in performing the duties of the respective ministry—but rather in the hands of someone who will also be fully accepted by the labor unions that represent the workers. This will harmonize the economic stabilization, the economic adjustments that must be implemented, the social compensation program, and the agreement with national workers.

I believe that we will have completed our cabinet early next week, after I have fulfilled the president-elect's requests.

I believe, gentlemen, that after hearing the president-elect's remarks a few minutes ago and the proposals made by Jorge Chavez, chief of the Government Plan, and following the guidelines outlined by the president during his electoral campaign and during his latest news conferences, I would like to end this news conference,

unless you have some questions referring specifically to the organization of the cabinet.

As you know, in accordance with constitutional provisions the government program must be released by the president in his initial message to Congress on 28 July. I will also have to address the congressmen elected by the people to explain the specific development program to be implemented by the next government. I would now like to conclude this introduction of the professionals who will head the different ministries in Fujimori's first cabinet. Further details on the government program will be given to the national Congress. Thank you.

[Reporter] Engineer Hurtado Miller, good afternoon. We would like to know how you intend to fuse ideas within a cabinet that includes people of different political trends, including the United Left, the Socialist Left, and a former member of the Popular Action?

[Hurtado] I thank you for that question, because it definitely has to do with the organization of the cabinet. The crisis that is affecting Peru in the economic, social, political, and especially the moral sectors makes it necessary for people to give up party positions or strict ideas on development. The country has very few alternatives but a lot of potential, based on the strength of the Peruvian people and on our natural resources.

I believe, however, that joint efforts are what Peru needs. Doctrinal ideas that each member might have must be left aside. We must be pragmatic, take into consideration our chances for development, and get to work.

[Reporter] Is Change 90's economic program supported by all the cabinet members?

[Hurtado] Yes. Of course, some members have joined the group only recently, but they are participating in continuing talks to adjust some specific points, especially regarding their contributions to the program. One of the essential characteristics of this cabinet, as I said earlier, is that each of its members has very specific and important ideas for each sector. These people have been chosen not only because of their years of service in a certain sector but because of their personal capacity and training in that sector, which will contribute to the economic program. As of 28 July, the cabinet will serve as the economic team. The cabinet itself will make proposals and defend the economic program that will be implemented.

[Reporter] [words indistinct] or the other productive sectors of the country?

[Hurtado] Within the national reconciliation idea proposed by the president-elect, which I have emphasized in the case of the Labor Ministry, we will also hold meetings with all representative organizations of the production and commercial sectors. The idea is to achieve a great national agreement. As I said, the country is going through a crisis. To resolve this crisis we must give up all dogmas and doctrines to work pragmatically for the development of the fatherland. This agreement will also be extended to all workers, and I thank you for allowing me to explain this. This agreement will be extended to all production and commercial sectors to achieve a national consensus within the development plan.

[Reporter] [Question indistinct]

[Hurtado] All economic formulas are based on two things: the objective to be achieved, and the base year that will serve as reference. When we hear reports on the purchasing power of salaries, in terms of foodstuffs, for example, the calculation of that purchasing power depends on the base year used for income comparison. The same thing happens when they refer to a shock treatment or a rigid adjustment of the economy; it all depends on the objective.

If you say that the tax burden is three percent of the GDP today, and the objective is to collect 10 percent of the GDP in one month, then logically it is not the same as the objective of collecting eight percent in three months. The economic adjustment will depend on the needs of the program. However—and this is very important—the economic adjustment that will be implemented will have one basic characteristic: It will be applied equally. A social accord will be negotiated after the adjustment of the economy. By no means will formulas be implemented that may mean a greater loss of income for the working class and the poor.

Of the country's inhabitants, 35 percent live off agriculture. Of that 35 percent, 70 percent live in a state of poverty, and of that 70 percent, almost half live in absolute or critical poverty. Furthermore, there are people in urban areas living in extreme poverty. The economic adjustments and the stabilization of the economy will therefore be instituted along with social assistance programs to compensate for the problems we will encounter with a stabilization that will obviously [words indistinct].

[Reporter] On 13 July we had an opportunity to interview you when the majority of the people were not aware that you were going to be appointed prime minister by President-elect Fujimori. You told the Association of Agronomists that you advocated an adjustment of 200 to 300 percent in food prices. Do you still advocate that?

[Hurtado] No, I did not give figures. Jorge Chavez made a statement to the press a few days ago which I believe was very accurate. He talked about the same issue I am talking about now. What is the meaning of an economic adjustment? Do you want to implement all the economic adjustments in 24 hours, in one month, or in one year? Some people call it gradualism, others call it economic adjustment in stages. In all cases the economic adjustment to be implemented is based on a plan and a social compensation program.

On the subject of food prices, some foods are subsidized by 200, 300, and even 500 percent. Gasoline prices, which are important for the treasury, are also subsidized.

The first adjustment will be a fiscal adjustment to close the fiscal gap. But along with the fiscal gap there is a poverty gap which must be resolved. And finally there is the gap in foreign trade, which affects Peru's competitive position abroad. We must combine those three factors for Peru to produce effectively, to be competitive, and to have a chance to develop to close the gaps.

[Reporter] How will inflation be reduced to 10 percent in 18 months, as Chavez has announced?

[Hurtado] The goals established by the economic programmers and experts are ideal goals for the economy. I would like to reiterate the same concept: If we want to be at 10 percent in 18 months we must have some specific measures. If we wanted 10 percent in one month we could do that also, but there are limiting factors such as the social cost [words indistinct] to close the gap on poverty. One cannot close his eyes and implement an economic adjustment so that 30 percent of the people who are in a state of critical poverty do not have anything to eat the next day. That is absurd.

[Reporter] There are only a few days left before Fujimori's presidential inauguration and some members of the Change 90 economic team have resigned. This has created the serious concern among the people and in political circles that a shock treatment will be implemented. Can you deny that?

[Hurtado] I believe that the term shock policy should be erased from political and economic dictionaries. It has been said since the beginning of the political campaign that there will be no shock treatment. The shock is one extreme on the spectrum. When there is a destabilization of the economy like the current one, a shock policy is there if you want to implement it, and its success depends on time.

This word must be erased; there will be no shock. The disagreements in the economic teams are logical. It is like in the labor unions. When the labor unions stop fighting for their rights and stop exerting pressure from their centers to protest the working conditions of their workers, on that day democracy will disappear and labor unions would no longer be necessary. Technicians can also disagree. They must express their opinions to reach an agreement.

[Reporter] [Question indistinct]

[Hurtado] I do not want to say whether it will be severe or not. We must definitely implement a stabilization policy. The country is living through an economic and financial chaos that cannot continue. Inflation is the Peruvian people's greatest scourge. There is no chance at all to accomplish anything unless inflation is controlled in the short term. The program will determine whether this short term will be one month, six months, or 18 months. Precise decisions like this must be discussed in the national Congress. We cannot talk about generalizations in Congress; we must go to Congress with specifics, because only in this manner will the congressmen [words indistinct].

[Reporter] Will gasoline prices increase in August, and by how much will they increase?

[Hurtado] I do not know if it will be at the beginning or end of August, but gasoline is one of the main resources we have with which to increase tax revenues. The fiscal deficit is too great, and the collection of revenues today....

[Reporter, interrupting] How much will it be increased by?

[Hurtado] I do not know. As I said, it depends on the established objective. If you want to increase fiscal revenue to eight percent of the GDP, you set a figure. If you want to increase it to five percent, you give it another figure.

If the ideal tax rate in terms of GDP is 20 percent, as in Japan, or 24 percent, as in other countries, or 23.5 percent, as in Argentina—and these countries are still having serious fiscal problems, perhaps due to a poor administration of the state, and are still correcting for last year's processes—it is just a question of setting a program: How much do we want to achieve, and for what purpose.

If we need a given amount of resources not only to close the fiscal gap but to take care of the food and nutrition program, we must increase a little more [word indistinct] on the taxes we have to pay.

I want to stress another very important point. The closing of the foreign trade gap also implies moving the exchange rate. The exchange rate benefits exporters. This benefit to exporters must be transferred to the poorest people to facilitate the social assistance program. What I am trying to say is that social assistance compensation will be financed by those who have more. Income redistribution means a stabilization program by which those who have more will be able to cover for those who are more adversely affected and who have less chance of surviving.

The exact amount or the percentages we want will depend on the program we design; what we want to achieve in whatever time period.

[Reporter] Will the adjustments be made monthly or periodically?

[Hurtado] That will vary, depending on the need to keep the buying power of salaries above the inflation rate. Maintaining salaries in the country is one of the basic variables to be considered in an economic program. We should not think of an adjustment that weakens salaries, because we would be making it at the expense of the poor and we do not want this to happen.

[Reporter] There are other important positions in the state administration that must be in agreement with the economic policy. Are there any names being considered for the presidency of the Central Reserve Bank, the Bank of the Nation, or for important public enterprises such as Petroperu [State Petroleum Agency]?

[Hurtado] Of course. The three enterprises you mentioned are extremely important. Petroperu is the largest enterprise in the country; it is also the one with the largest fiscal deficit problem.

Regarding these enterprises, we should be concerned not only with selling their products at real prices but also with who is managing them. The Central Reserve Bank is a very important organization, and it should remain independent in accordance with the Constitution. It should not become a department of the Economy and Finance Ministry or the National Treasury. That will be the case no longer. The Central Reserve Bank will no longer sustain the public treasury. The Central Reserve Bank, in accordance with the new policy, will no longer be a department of the Economy and Finance Ministry. It will recover its independence in accordance with the law and the Constitution.

The Bank of the Nation is the state financial agent. It is therefore the bank that collects for and finances the operations of the treasury in accordance with a policy of healthy economic management.

We will be extremely careful in selecting the people who will operate under the ministers. We are going to make a thorough evaluation of the candidates. We want honesty in the public administration to be the most important issue, and we will be strict in punishing the officials who violate this principle. We will also be inflexible regarding past violations, but we are definitely not going to do any witch hunting. We will file charges on any violations and harshly punish anyone in the new administration who violates the law. We are therefore going to be very careful in appointing the people who will hold important public positions, especially the ones who will manage the country's funds.

[Reporter] Are you expecting external credits to arrive in October, as was reported a few weeks ago?

[Hurtado] I do not know whether it will be in October, September, or November. As I said, I do not like to give exact dates.

There is another important point: Why should Peru close the gap on the foreign trade front? We must close this gap or not be competitive abroad. The country must keep a reasonable balance between what it produces for consumption and what it produces for export, and it must be competitive within that balance.

The best instrument to aid our products in competing abroad is the exchange rate. We must have that instrument. If we do not handle the exchange rate intelligently, we will not fulfill our third objective, which is the closure of the gap in the foreign trade front and the administration of our reserves. According to the figures we have, the national reserves are depleted. I do not want to get into details here because there has been already a great deal of controversy over this issue. We will discuss that at the appropriate time. With the reserves we have now we cannot defend ourselves from a commercial imbalance of [words indistinct] importation.

Why is the reinsertion of Peru into the international financial community so important? Why did the president-elect establish that as one of his objectives? He did not do it because we must pay the commercial banks or because we should accept an IMF program and behave ourselves by fulfilling all the guidelines to get more loans from banks in the future. The main reason for the reinsertion is this: After the stabilization process, we will have to start the process of gross capital formation in the country, getting investments the country needs for its development.

The development of our country will be based mainly on internal savings, but this must be complemented by external savings, especially from foreign countries and multilateral organizations. The multilateral organizations closed their doors to us because we did not fulfill the commitments we made a few years ago. We need the support of the World Bank, the IDB [Inter-American Development Bank], and the friendly countries who loaned us money for development. To do that we must come to an agreement with the IMF on our economic program. We must discuss and come to an agreement with the IMF on the economic program—which will be submitted to Congress—to regain access to the resources needed for our development. This is the reason for the reinsertion. This is the reason for closing the gap in the foreign trade front: to become competitive to be able to form more capital in the country.

[Reporter] [Question indistinct]

[Hurtado] Before I get into specific issues [words indistinct] I would prefer to wait until the new president delivers his speech to the nation.

[Announcer] A reporter is asking about the free dollar exchange rate.

[Hurtado] The difference between the internal and external prices, which is represented by the exchange rate, is the main instrument for closing the gap in the foreign trade front. We cannot work with multiple, parallel, or unrealistic exchange rates. That will only perpetuate the problem, extend the agony, makes the country lose its competitive position, and lead industry to bankruptcy. The policy must therefore advocate a single exchange rate at real values.

[Reporter] [Question indistinct]

[Hurtado] I hope that the spirit of agreement I have conveyed and the country's urgent need to solve its problems will lead to an atmosphere of united effort and

to an agreement in Congress with all political parties, with absolutely all political parties. Thank you very much.

Garcia Urges Unions To Oppose Economic Measures

PY2007143090 Madrid EFE in Spanish 1637 GMT 19 Jul 90

[Text] Lima, 19 Jul (EFE)—Peruvian President Alan Garcia has urged the country's unions to oppose the "unnecessary economic adjustments" that are to be implemented by the future government. This position could create a difficult situation for Fujimori's administration, which will have to face many other problems.

Garcia made this statement during a meeting with leaders of the communist General Confederation of Peruvian Workers and the Confederation of Peruvian Workers, which support the ruling American Popular Revolutionary Alliance.

The meeting was also attended by leaders of the Federation of Workers of the Peruvian Revolution and the Social Christian National Federation of Workers, which have little rallying power.

Garcia, who will transfer power to President-elect Alberto Fujimori on 28 July, asked the unions "to become the spearhead in the struggle against the future government's attempt to implement a severe economic adjustment."

Garcia directly referred to statements made by Jorge Chavez, head of the government plan for the independent Change 90 movement led by Fujimori. Yesterday Chavez reiterated that "the people should cooperate in making certain sacrifices to overcome the serious internal crisis."

In the past few days, the former chief of the Change 90 government plan and three of Fujimori's close economic advisers resigned because they did not agree with the changes Fujimori is making, especially in the economic sector.

Yesterday Fujimori appointed Juan Carlos Hurtado Miller as prime minister and economy minister. Hurtado Miller has tendered his resignation as a member of the Popular Action [AP] party, which was founded and is led by former President Fernando Belaunde. Hurtado Miller was agriculture minister for two years during Belaunde's second administration (1980-85).

The designation of Hurtado Miller has been seen as a move by the new administration toward the right. However, the center-right newspaper EXPRESO described him today as one of the AP leaders "with the strongest leanings toward the left."

Garcia told the leaders of the four unions that one can face serious economic problems but "no one should be made to submit to the rightist sector or imperialist changes. We should stay firm and loyal to the poorest sectors."

Garcia said that people in Latin America are making sacrifices to pay the IMF. He added, however, that he "was sure Peru would not face such a situation."

He admitted that as an outgoing president, he should not make these statements, but added that the adjustment policy announced by the Change 90 movement would help increase inflation.

Change 90 has charged the Garcia administration with the deplorable Peruvian situation. Fujimori himself described the situation as "regrettable."

Fujimori is facing a difficult situation taking into account inflation that has risen to 3,000 percent in the past 12 months, which represents nearly 50 percent inflation a month; strikes; constant demands for salary readjustment; a treasury that has been exhausted; and international reserves that stand at $130 million.

The unions' increasing demands could be aggravated under the new administration of Alberto Fujimori, who is of Japanese descent.

Six Area Presidents To Attend Inauguration

PY1907222590 Lima Television Peruana in Spanish 1800 GMT 19 Jul 90

[Excerpts] According to a communique issued by the Peruvian Foreign Ministry just nine days before the presidential inauguration ceremony, the following six Latin American chiefs of state have confirmed their presence at the mentioned event: Chilean President Patricio Aylwin Azocar, Argentine President Carlos Saul Menem, Bolivian President Jaime Paz Zamora, Venezuelan President Carlos Andres Perez, and Colombian President Virgilio Barco Vargas. Colombian President-elect Cesar Gaviria will also be present.

We have just been informed that Brazilian First Vice President Tomas Franco [as heard], will represent his country instead of President Fernando Collor de Mello.

Defense Patrols Declare War on Shining Path

PY1907165290 Madrid EFE in Spanish 0415 GMT 19 Jul 90

[Text] Lima, 18 Jul (EFE)—It was reported today that some 20,000 members of the civilian militia known as Peasant Defense Patrols have declared war on the Maoist Shining Path group in the Mantaro River Valley, in the central mountains of Peru, source of Lima's main food supply.

For a long time, Shining Path actions in Junin Department, where the great Mantaro River and Peru's most important hydroelectric power plant are located, have been designed to hinder the supply of food to Lima,

following Chinese leader Mao Zedong's slogan of "besieging cities from the countryside."

Last Sunday [15 July], some 8,000 Peasant Defense Patrol members from 13 peasant communities on the right bank of the Mantaro River pledged to confront subversion with all of their forces. Therefore, more than 20,000 peasants are now opposing the Shining Path on both Mantaro River banks.

The 8,000 peasants joined the struggle against subversion during the first Peasant Defense Patrols congress held in the town of San Juan de Jarpa, a former Shining Path stronghold.

The peasants from the right bank of the Mantaro River do not have much to thank the Shining Path for since the latter has been destroying a large number of public works in the area, killing farmers who refused to join their ranks, and stealing and killing 1,400 head of cattle since 1989.

In this area, the Army seized 350 horses used by the subversives in their raids, and Army soldiers are now using the horses to patrol the area in order to provide more security.

Felix Damian Huaynalaya, who heads the Peasant Defense Patrols from the right bank of the Mantaro River, has said that, following Army advice, they agreed to form a civilian militia to combat the Shining Path, against which they have mounted a permanent patrol system in their communities.

The military have committed themselves to supplying arms as well as communications equipment to Peasant Defense Patrol members.

Army General Manuel Delgado Rojas has said that the Peasant Defense Patrols "have blocked the Shining Path's way out on the flanks of Mantaro Valley."

Delgado Rojas is chief of the political-military command for the emergency zone of Junin Department and its neighbor, Pasco Department.

Peasant Defense Patrols that exist in other parts of the country are trained by the military, but they are generally poorly armed with rustic spears, sticks, and slingshots, and they only have a few shotguns and buckshot.

The Shining Path frequently attack communities where the Peasant Defense Patrols are based, and, due to their superiority in arms, inflict large losses on the peasants.

The struggle between the Shining Path and the Peasant Defense Patrols is sometimes fierce; in the town of Corpanqui, 115 km from the city of Huaraz, capital of Ancash Department adjoining Lima Department, a prosecutor and judge today ordered the removal of the bodies of 35 Peasant Defense Patrol members who were apparently killed by the Shining Path three or four weeks ago.

The Shining Path apparently invaded Corpanqui and the Peasant Defense Patrol members were not able to resist the subversives, who outnumbered them and were better armed. The Shining Path threw their dead opponents into a shaft of the Chinchis Mine, which is owned by Millotingo Enterprise.

Nearly 20 Bombs Defused in Lima; Patrols Doubled

PY1907143890 Lima Domestic Service in Spanish 0100 GMT 19 Jul 90

[Text] The national police worked hard today [18 July] neutralizing a wave of violence that terrorists wanted to unleash. In several operations, the police defused nearly 20 bombs planted in several parts of Lima.

The National Police today carried out a large operation to find and defuse several bombs in this capital. The police doubled their patrols and security measures in light of the terrorists' behavior. More than 20 red flags with booby traps were found by the police, who defused them and took them away.

This morning, for example, bomb squad members defused a powerful bomb planted on a pedestrian bridge over the express highway.

Uruguay

Minister Comments on Armed Forces Salaries

PY1907223190 Montevideo Radio El Espectador Network in Spanish 1600 GMT 19 Jul 90

[Excerpts] The national defense minister has said that he has not read the political remarks made by Armed Forces officers in articles published by the Magazine EL SOLDADO. In one specific issue of EL SOLDADO, the officers made several comments on Marxism and [word indistinct] that should be applied [words indistinct].

In an exclusive interview with El Espectador, Defense Minister Mariano Brito said that he met today with the members of the Finance Committee of the Chamber of Deputies on the salary increase to be granted to soldiers and military personnel in general.

The minister emphasized that (?the salary increase will be 15,000 new pesos) and that the budget is being analyzed to adjust to this increase.

This information is contained in the following report by (Alvaro Alfonso).

[Begin (Alfonso) recording] The defense minister [passage indistinct] and had not read the articles in which several officers commented on political matters.

In one article the officers suggest an alliance among Uruguay, Brazil, and Argentina to fight Marxism. He also said that most of the meeting with the Finance Committee of the Chamber of Deputies was taken up

with the issue of the salaries of the Armed Forces, which are considered insufficient. [passage omitted]

The minister also said that all Armed Forces programs have been reduced and that there have been cuts of 15 percent, as requested by the executive branch. He said that some programs suffered more cuts than others but overall the budget has been cut by 15 percent. [passage omitted] [end recording]

Suriname

President Shankar Praises Relations With Guyana

FL1907133690 Paramaribo International Service in English 1730 GMT 18 Jul 90

[Text] The current international economic development forces small countries to unite for survival. The Guyana-Suriname Cooperation Council is an important proof that unity without interference of principles of sovereignty and noninterference is possible. This was stated by President Ramsewak Shankar yesterday during the handing over of credentials by Carl Morgan, Guyana's new ambassador to Suriname. The head of state expressed satisfaction over the development of relations between Suriname and Guyana. Shankar further said he was happy with the support Suriname received from Guyana in its effort to tighten its cooperation with the Caribbean Community, Caricom.

Ambassador Morgan, in his reply said that Guyana will continue supporting Suriname since it's the duty of the neighboring country to contribute to the struggle for peace and sovereignty in the fight against the illegal drug trade. The new Guyana ambassador replaces Thomas Abrahams, who two weeks ago returned to Guyana.

Jungle Commando Postpones Peace Discussions

FL1907200390 Paramaribo International Service in English 1730 GMT 19 Jul 90

[Text] The peace discussions between the government and the Jungle Commando are expected to continue next month. This was stated by Vice President Henk Arron in the National Assembly yesterday. According to the vice president, the continuation of the discussions should have taken place today but were postponed at the request of the Jungle Commando. The discussions between the government delegation and the illegal armed group, which should have taken place today, were venued for French Guiana. The Jungle Commando has, however, stated that it could not meet with the government's delegation before the end of this month.

Brunswijk Allegedly Kills Prisoner of War

FL1907201390 Paramaribo International Service in English 1730 GMT 19 Jul 90

[Text] An Army patrol earlier this week discovered the body of a missing soldier at (Latuani) in the Sipaliwini District. The soldier was a member of an Army patrol who walked into an ambush by the Jungle Commando last week during mopping-up operations. The Army patrol was able to fight itself out of the ambush during which one soldier was wounded while another was missing.

Reports say at least two Jungle Commando members were killed. The spokesman of the cabinet of the Military Authority stated that the Army was able to intercept radio conversations to the effect that the soldier was captured by the Jungle Commando. During the radio conversation, according to the spokesman of the Military Authority, Jungle Commando leader Ronnie Brunswijk gave the order to kill the captured soldier because the illegal armed group did not want any prisoners of war. Later, it was said through the radio that Brunswijk's order had been carried out, said the spokesman of the cabinet of the Military Authority.

The murdered soldier, whose body had signs of violence, was discovered earlier this week by an army patrol at (Latuani) in the vicinity of the hydropower link in the Sipaliwini District.